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**Working Party on the  
Accession of the Republic of Tajikistan**

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## **ACCESSION OF THE REPUBLIC OF TAJIKISTAN**

### Memorandum on the Foreign Trade Regime

In a communication circulated in document WT/ACC/TJK/1 on 29 May 2001, the Council of Ministers of the Republic of Tajikistan applied for accession under Article XII of the Agreement Establishing the World Trade Organization (WTO).

The General Council established a Working Party (WT/ACC/TJK/2) on 26 July 2001 with the following terms of reference: "To examine the application of the Government of Tajikistan to accede to the WTO Agreement under Article XII, and to submit to the General Council recommendations which may include a draft Protocol of Accession."

In accordance with the established procedures (WT/ACC/1), the Secretariat is circulating the attached Memorandum on the Foreign Trade Regime received from the Council of Ministers of the Republic of Tajikistan. WTO Members wishing to submit questions on the Memorandum are invited to do so by 24 March 2003 for transmission to the Republic of Tajikistan's authorities.

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## **I. INTRODUCTION**

The Republic of Tajikistan started the process of radical social-economic reforms, restructuring of the political system and establishment of a democratic and secular state in 1991 as an independent state. Unfortunately, as a result of the break-down of existing interstate relations within the former Soviet Union the country witnessed a long-term macro-economic and socio-political crisis in the country. The situation was deteriorated by natural disasters and most of all, civil conflict, which contributed to the destruction of the national economy.

Stability was restored only in 1997 with the signing of a General Agreement on peace and national accord in Tajikistan and establishing a new coalition government. The peace and reconciliation process, supported by the international community, has progressed well since then and has facilitated the rehabilitation of the national economy and rendered economic growth.

Between 1991-1997, the level of GDP diminished by more than 60 per cent which significantly reduced the living standards of the less protected part of the population. The GDP per capita rate of Tajikistan is one of the lowest among CIS countries. The average salary rate still remains low in Tajikistan. Much of the country's production infrastructure is in urgent need of repair and restoration after years of war damage and due to the lack of proper maintenance.

In accordance with the priorities of the Government of the Republic of Tajikistan, declared in program documents and resolutions, the country aims to deepen the integration of its national economy into the world economy. In this context, one of the key issues of the external economic policy of Tajikistan for the nearest future will be accession to the WTO.

The Memorandum contains information on the economy and trade related issues as required by the WTO. The inter-ministerial committee consisting of officials from relevant government institutions has prepared information in the memorandum. The Government of the Republic of Tajikistan is available to provide any additional information if required by Member States.

## **II. ECONOMY, ECONOMIC POLICIES AND FOREIGN TRADE**

### **1. Economy**

#### **(a) General description**

##### **- Territory and population**

Tajikistan is a land-locked and mountainous country in Central Asia with the territory of 143,100 km<sup>2</sup>. In the West, Northwest and Northeast the Republic of Tajikistan borders Uzbekistan (910 km.) and Kyrgyzstan (630 km.), in the East, the People's Republic of China (430 km.) and in the South, Afghanistan (1,030 km.). The distance from the West to the East is 700 km. and from the North to the South 350 km. Mountains and plateau's, which belong to the mountain systems of Pamir and Tien Shan, occupy 93 per cent of the total territory. Nearly half of them are higher than 3,000 m. The Somoniyon Peak (formerly the Peak of Communism), which is 7,495 m., is one of the highest mountains in the world. Intermountain valleys and foothill plains located on the altitude lower than 1,000 m. occupy seven per cent of the territory and have most economic importance. The climate in Tajikistan is continental. Average temperatures of January differ from +22°C (Panj) to -61°C (Bulunkul Lake) and of July from -8°C (Bulunkul Lake) to +45°C (Panj).

Vakhsh and Panj rivers, which form Amudariya River, get their start in Pamir Mountains. Besides, there are three more big rivers in Tajikistan - Zarafshon, Kofarnihon and Syrdariya. They also begin from glaciers and are full of water in the period most important for irrigated farming. Due

to presence of big glaciers and steep fall the rivers possess great hydropower resources (the second place in CIS after Russia). Particularly powerful is Vakhsh River. The area of the flooded lands when building hydropower stations in deep gorges is relatively small and that increases effectiveness of the use of hydroelectric power resources.

According to the 2000 population census the population of Tajikistan is 6,127,000. Tajikistan is a multinational country. Majority of population are Tajiks (80 per cent), there are also Uzbeks (15.3 per cent), Russians (1.1 per cent), Kyrgyzs, Tatars, Kazakhs, etc. Urban population is only 27 per cent. Average density of the population is 37 persons per square km. However, 80 per cent of people live in warm valleys -Vakhsh, Hissar, and Ferghana. The mountainous regions of Pamirs (Gorno-Badakhshan autonomous oblast) are sparsely populated.

Life expectancy in Tajikistan is 68 years. The capital is Dushanbe (575,900). Major cities: Khujand, Qurghonteppa, Kulob, and Khorugh. Geographically the country is divided into five administrative regions:

- Dushanbe city (capital)
- Regions of Central Subordination (28,600 km<sup>2</sup>, 1,368,600)
- Sughd oblast (25,400 km<sup>2</sup>, 1,900,400)
- Khatlon oblast (24,800 km<sup>2</sup>, 2,196,600)
- Gorno-Badakhshan Autonomous oblast (GBAO) (64,220 km<sup>2</sup>, 208,500)

The National currency is Somoni, introduced in October 2000. 1 Somoni = 100 dirams. As of 1 August 2002 the official exchange rate was 2.7126 Somoni for US\$1.

- Economic specialization

Tajikistan is an agrarian-industrial country. Comparative advantage of Tajikistan is related to agriculture: there are significant water resources, favorable climate conditions for growing grains and animal husbandry, and abundance of cheap labour. The share of the agriculture is significant in the GDP of the country. 73 per cent of total population of the country lives in the countryside. About 1,100,000 people or 67 per cent were occupied in agriculture in 2000.

Plant growing dominates in agricultural produce. Its principal branches are cotton growing, viticulture and horticulture, and aromatic plants growing. Plant growing produce composes approximately two thirds of gross volume of agricultural produce where more than 50 per cent fall at cotton. In cotton production Tajikistan is the third in the CIS after Uzbekistan and Turkmenistan. Significant land area is used for grains. Wheat, barley, corn and rice are cultivated. In animal husbandry the cattle breeding and sheep breeding (coarse-haired, caraculs, meat) play the most important roles.

The main industrial branches in the Republic of Tajikistan are the following: metallurgy, mechanical engineering, and production of durable consumer goods, light industry, and food industry.

- Metallurgy

The principal enterprise of this branch is the Tajik Aluminum plant in Tursunzade city. Currently besides the primary aluminum this plant produces aluminum sections and other household goods. The hydrometallurgy plant in the city of Isfara and the "Vostokredmet" enterprise on the North of the country also occupy an important place in the branch.

- Mechanical engineering

This branch includes mechanical engineering plants and electro technical enterprises. The range of goods produced by these plants includes industrial equipment, transportation means, oil and gas equipment, equipment for textile industry, tools, devices and spare parts to agricultural machinery. Electrotechnical enterprises produce different electrical and electronic equipment including transformers, cables, lighting facilities, and different electronic components.

- Light industry

Main types of production of this industry are fabrics and textile goods based on natural silk and cotton, carpets and carpet goods. There are spinning, weaving, and knitwear factories and also enterprises specializing on production of clothing, footwear, fancy goods, porcelains, and furniture.

- Food industry

Enterprises of this branch produce tinned goods, different types of oil, margarine, wine and other alcoholic drinks, tobacco goods, beer, salt and confectionery.

- Power industry

Production of electric energy generated by hydropower stations prevails in the country while all other types of energy are produced in marginal quantities. Tajikistan possesses large water resources. Hydropower potential of Tajikistan is equal to around 32,000 MWt and 300 billion KWt/h, out of which, it is technically possible to produce 19,000 MWt and 144 billion KWt/h of energy. The use of this potential became a priority in the former USSR as early as the beginning of 1960s. Nurek hydropower station (capacity 3,000 MWt), which is the largest energy production unit in the Central Asia, was built in the 1960s. It is a part of the cascade of hydropower stations built on the Vakhsh River. This cascade also includes already functioning Baipazinskaya (600 MWt), Golovnaya (210 MWt), and Perepadnaya (29.6 MWt) hydropower stations. In the Soviet time the construction of Rogun (3,600 MWt), Sangtuda-1 (670 MWt) and Sangtuda-2 (220 MWt) hydropower stations started, however after the dissolution of the former USSR the construction slowed down due to lack of financing. The construction is not finished yet. These hydropower stations are of great significance not only for Tajikistan. Completion of the construction of these stations will allow regulation of drainage to meet long-term and seasonal needs of Uzbekistan, Turkmenistan, and Kazakhstan in water.

Principal economic indicators of the Republic of Tajikistan are presented in the tables of Annex 1 of the Memorandum.

**(b) Current economic situation**

Since declaration of independence the economy of Tajikistan suffered from significant decrease in the production volume and national income. The civil war in the country seriously affected national economy and aggravated problems related to the process of economic reforms. Inadequate political stability was one of the factors of reforms slowing down. Until May 1995, when the interim national currency was introduced, economic development management in Tajikistan was additionally restrained by lack of appropriate monetary mechanisms that led to the internal inconvertibility of the currency. The balance of payments of the country was steadily deteriorating due to serious problems in trade, accumulation of overdue arrears in external payments and quick increase of the external debt.

Since 1996 the implementation of economic reforms in the country became more successful. With the financial support of the IMF and the World Bank coordinated efforts were made aimed at creation of macroeconomic stability in Tajikistan and speeding up the process of structural reforms. In 1996 substantial success was achieved: the inflation rate decreased from 2,100 per cent in 1995 to 40 per cent in 1996. The Government of Tajikistan began pursuing strict monetary and fiscal policies that led to reduction of the budget deficit and comparative stabilization of the nominal exchange rate of the interim national currency to the US Dollar. In October 2000 the Tajik national currency – Somoni was introduced.

Since 1997 the stable growth of production is being observed in the country. If GDP growth rate in 1997 was 1.7 per cent, then in 2001 this indicator increased to 10.2 per cent. The high growth rate of up to 13 per cent is noted in industry. For the last five years (1997-2001) GDP grew up by approximately 32.5 per cent, industrial output by 23.0 per cent, agricultural output – by 12.5 per cent. In 2000 GDP per capita amounted to 292.2 Somoni (approximately US\$159.6). Dynamics of other macroeconomic indicators are moderate.

Important results were achieved in deepening and expansion of privatization, forming fundamentals of multi-structural economy, creating the business environment. Adoption of the new law on privatization in May 1997 facilitated speeding up and expanding of privatization process. Particularly, in 1998-2001 certain successes were achieved in this area: privatization of small enterprises was completed in time; in 2000 the cotton-cleaning branch was privatized. As for middle-size and large enterprises, during the first phase of privatization they were reorganized into joint-stock companies. Currently out of 1,400 middle and large enterprises 750 state-owned enterprises were transformed in public joint-stock companies.

There are wide opportunities to achieve sustainable growth in agriculture. It is necessary to note that this branch did not avoid the influence of overall decline in production during 1992-1996 when the economic activity was at its lowest level. By 1995 the volume of agricultural produce was 42 per cent of the 1991 level. Today agriculture continues to be one of top priorities in the economic system of the country. It is known that in the Soviet period in Tajikistan the priority was given to the production of cotton and fruits including grapes. Currently deep changes took place in the structure of agricultural produce: production of cotton and vegetables was significantly reduced and production of grains and potatoes was increased.

The process of the land reform in Tajikistan is actively going on although the constitutional ban on private property on land was preserved taking into account limited land resources. Different forms of management are developing: creation of dehqan (farmer) households, joint-stock companies, rental and small family contracting households. In 1998 the restructuring of state and collective farms into "larger" dehqan households began. As of today, about 70 per cent of total agricultural produce is produced by the private sector. These circumstances require special attention to this sphere. Only in the first six months of 2001 more than 550 dehqan (farmer) households were created and 296 land use certificates and land share ownership certificates were issued.

Ten per cent of total labour resources of the country are concentrated in the industrial sector, which produces more than 19 per cent of total GDP. It is necessary to note, that during 1992-1997 the industrial production significantly declined. It was specifically evident in the processing and mining industry (60 per cent), in the production of construction materials, chemical and in oil and gas industry (almost 90 per cent). Despite certain stabilization during 1998-2001 the 2001 industrial output was around 45 per cent of 1991 level. The growth of industrial output was reached mostly due to output increase in aluminum and energy branches and in construction.

After gaining independence the Republic of Tajikistan actively entered into foreign economic relations. Key principles and the order of foreign economic activity in Tajikistan were defined in the

Law of the Republic of Tajikistan "On foreign economic activity in the Republic of Tajikistan" adopted in December 1993. The country cooperates with many countries of the world on the principles of mutual benefit and non-discrimination. There are significant changes in liberalization of trade: all types of non-tariff restrictions are eliminated and tariff level reduced to minimum.

It is necessary to mention the exaggerated prevalence of export of raw materials (primary aluminum—60 per cent of total volume of export, cotton-25 per cent, energy-ten per cent) and import of energy resources (around 40 per cent), chemical products such as alumina (about 35 per cent), and food products (six per cent) in commodity structure of the foreign trade. All these increase dependence of the country on many external factors such as demand for these commodities on the world market, dynamics of world prices, natural-climate conditions, etc. Currently the Republic of Tajikistan is taking effective measures on improving the structure of foreign trade and developing export potential of the country. However, it is not possible to solve this issue in the near future due to the dependence of the country on import of fuel-energy resources and limited nature of export potential.

Since gaining independence the foreign trade and foreign trade regime of the Republic of Tajikistan have been progressing. Big changes occur in the geographical orientation of the export. The share of the foreign trade turnover with non-CIS countries increased from 15-20 per cent in early 1990s to 45-50 per cent in 2000-2001. Particularly export to European countries significantly grew due to location of largest markets of aluminum and cotton in these countries. However, the CIS countries still remain main importers. The foreign trade turnover of the Republic of Tajikistan in 1996-2002 was equal to US\$1.3-1.5 billion

In 2001 the foreign trade turnover of the country including energy and natural gas made up US\$1,339,100,000 that is nine per cent lower than in 2000. The share of the CIS countries in the foreign trade turnover is 55.8 per cent, non-CIS countries 44.2 per cent. In export the share of non-CIS countries is 67.5 per cent. In import a very significant share belongs to the CIS countries, 78.1 per cent. In general, in 2001 the foreign trade turnover with the CIS countries decreased by 20 per cent or by US\$189,400,000 and with non-CIS countries increased by 12 per cent or by US\$64,000,000.

The dynamics of export-import operations in 2001 reflected tendencies of the world markets. Deterioration of market conditions of the world energy resources market led to a slowdown of growth rate of these operations, mainly export. If in 2000 export grew, in comparison with 1999, by 14 per cent, import by two per cent, then in 2001 export declined by 17 per cent and import grew by one per cent compared to 2000. As a result, there was a negative balance in the amount of US\$36,000,000.

Thus, export of mineral products decreased by 13.8 per cent or by US\$13,000,000, products of chemical industry by 43.0 per cent or by US\$4,100,000, machinery and equipment by 83.9 per cent or by US\$12,700,000, transportation means by 81.6 per cent or by US\$34,300,000, non-precious metals by 8.4 per cent or by US\$36,700,000.

In import there was an increase in polymeric materials by 71.1 per cent or by US\$4,000,000, paper three times or by US\$6,000,000, timber by 30 per cent or by US\$1,800,000, tools by 77.6 per cent or by US\$1,400,000, machinery and equipment by six per cent or by US\$2,400,000, transportation means by 24.7 per cent or by US\$6,500,000 and a decrease in grain products by 14.8 per cent or by US\$6,900,000 and finished foodstuff by 28.7 per cent or by US\$4,300,000.

The share of energy in the foreign trade turnover was 12.9 per cent. In 2001 export of energy made up 4,043.0 million Kwt/h or was equal to US\$78,500,000. Energy import totaled 5,392.3 million Kwt/h or US\$94,000,000 which is 19.7 per cent or US\$15,500,000 more than export.

The main energy trade partner is Uzbekistan. Import of energy from this country was in the amount of US\$80,900,000 and export US\$78,200,000. In comparison with 2000 the total exports of energy decreased by US\$13,500,000 and import by US\$24,900,000. Import of the natural gas was equal to 558,100,000 m<sup>3</sup> or to the sum of US\$25,900,000 and decreased by 26.6 per cent or by US\$9,400,000 compared to 2000.

Sixty-one per cent of the country's export consists of aluminum. According to the information of the Customs Committee, 287,000 ton of aluminum to the sum of US\$398,400,000 were exported in 2001: 84 per cent of it to the sum of US\$333,500,000 to the non-CIS countries and to the sum of US\$64,900,000 to the CIS countries. In comparison with 2000, although export of aluminum increased by 13,500 ton in volume terms it decreased by US\$35,200,000 since the average price per ton of aluminum dropped by US\$197 and was equal to US\$1,388 against US\$1,585 in 2000. Main buyers of aluminum are the Netherlands (49 per cent of the total), Turkey (19 per cent), Russia (13 per cent), Hungary (ten per cent), and Iran (6 per cent).

Export of cotton composed 11 per cent of the total commodity export and was sold to the amount of US\$71,500,000, which is equal to 75,400 ton. That is 4.3 per cent or 3,400 ton less and in value terms 22.1 per cent or US\$20,300,000 less than in 2000. Export to the CIS countries increased by 74 per cent while to the non-CIS countries it decreased by 19 per cent. Cotton was mainly exported to Switzerland (43 per cent), Russia (24 per cent), Latvia (17 per cent), Iran (seven per cent), and Slovakia (four per cent). The average price per 1 ton of cotton dropped by US\$217 and was equal to US\$948/ton.

International services are one of the most important parts of the foreign trade. The tendency to an increase in international services in export-import operations of the Republic of Tajikistan is observed during the last years. Thus, total volume of international services in 1997 was equal to US\$50,200,000, in 1998-US\$104,100,000, in 1999-US\$108,100,000, in 2000-US\$119,300,000. Only in 2001 the volume decreased by US\$1,400,000 or by 2 per cent compared to 2000 and was equal to US\$117,900,000. Eleven CIS countries and 59 non-CIS countries were rendering and receiving international services in 2001.

As in previous years, the highest percentage of 94 per cent both in export and import belong to transportation services. The other principal types of international services are the following: tourism, education, communications, and construction.

At the same time, the Government of Tajikistan carries out a consistent policy of creation of favorable investment climate in order to attract foreign investment, which is a key factor and a source of economic development. For instance, legislation stimulating potential investors to invest and to carry out a joint activity in Tajikistan was adopted.

As of 1 January 2001, total of foreign investment was equal to US\$354,200,000, and US\$240,800,000 of them is direct investment and the rest US\$113,400,000 (32 per cent), other investment consisting of credits received from international financial institutions and other credits. In 2001 Tajikistan received investment to the sum of US\$49,000,000 and US\$8,100,000 out of it was direct investment. 99.2 per cent of foreign investment was received from the non-CIS countries and only 0.8 per cent from CIS countries. Most of investment was made in joint ventures with the United Kingdom (43 per cent), Korea (15.1 per cent), Italy (11.1 per cent), Luxemburg (8.8 per cent), United States (8.4 per cent), Belgium (2.6 per cent), and Germany (1.6 per cent).

A tendency to further relative stabilization of the economy of the Republic of Tajikistan was observed in 2001 and it was expressed in the continuing growth of main macroeconomic indicators such as GDP, industrial and agricultural output, retail commodities turnover, freight, capital asset investment, and expansion of foreign trade relations.

Principal Social-Economic Indicators of The Republic of Tajikistan

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Population as of the end of the year (in thousand).	5,505.6	5,567.2	5,579.7	5,633.8	5,701.4	5,769.1	5,875.8	6,001.3	6,126.7	6,250.0	6,375.5
Male	2,744.2	2,778.8	2,784.2	2,814.6	2,849.1	2,886.1	2,940.8	3,004.7	3,068.6	3,131.0	3,195.2
Female	2,761.4	2,788.4	2,795.9	2,819.2	2,852.3	2,883.0	2,935.0	2,996.0	3,058.1	3,119.0	3,180.3
Total born (in thousand) <sup>1</sup>	212.6	179.5	186.5	191.6	193.2	172.3	178.1	185.7	180.9	167.2	171.6
per 1,000 people	39.1	33.2	34.1	33.7	33.6	29.7	30.6	31.3	29.8	27.0	27.2
Deceased (in thousand) <sup>2</sup>	33.1	36.7	49.3	40.0	34.3	31.6	27.9	29.2	25.4	29.4	32.0
per 1,000 people	6.1	6.6	8.8	7.1	6.1	5.6	5.9	5.0	4.2	4.7	5.1
Population growth, thousand	179.5	142.8	137.2	151.6	158.9	140.7	150.2	156.4	155.5	137.8	139.6
per 1,000 people	33.0	26.6	25.3	26.6	27.5	24.1	24.7	26.3	25.6	22.3	22.1
Life expectancy at birth (years)	70.5	68.3	62.0	66.1	68.3	68.4	68.4	...	...	...	...
Male	67.6	65.4	56.5	63.4	65.5	65.6	65.6	...	...	...	...
Female	73.2	71.1	68.2	68.7	71.2	71.3	71.3	...	...	...	...
Marriages, thousand	56.5	46.7	53.9	38.8	32.1	28.0	27.3	22.3	22.7	26.2	28.8
per 1,000 people	10.4	8.4	9.8	6.9	5.7	4.8	4.7	3.8	3.9	4.2	4.6
Divorces, thousand	7.6	6.5	5.3	4.4	4.3	4.4	4.0	2.6	2.3	2.4	2.3
per 1,000 people	1.4	1.2	0.9	0.8	0.8	0.8	0.7	0.4	0.4	0.4	0.4
Average annual of employed in economy, thousand	1,971	1,909	1,855	1,855	1,853	1,731	1,791	1,796	1,737	1,745	1,829
Unemployed officially registered in employment service, as of the end of the year, thousand	-	7	22	32	37	46	51	54	50	43	43
Unemployment, in %	-	0.4	1.1	1.8	2.0	2.6	2.8	3.2	3.0	2.7	2.5
Income of population, in current prices of corresponding year, million Somoni <sup>3</sup>	10.5	43.3	462.5	520.9	45.8	185.1	348.3	593.6	738.3	1,004.6	1,302.5

<sup>1</sup> With correction, including missing.

<sup>2</sup> According to registration of civil registrar's office.

<sup>3</sup> 1991-1994 – billion roubles.

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Expenditures and savings, in current prices of corresponding year, million Somoni <sup>4</sup>	10.0	28.8	333.2	408.3	40.4	175.1	324.4	575.5	716.1	909.1	1,256.2
Average monthly earnings per employee											
In Somoni <sup>5</sup>	370	2035	16155	34904	0.92	2.95	4.96	9.17	11.61	15.57	23.50
In US\$	x	x	x	x	8.8	10.1	8.9	11.8	9.4	8.5	9.9
Average monthly pension											
In Somoni <sup>6</sup>	169	1444	12503	18032	0.39	0.88	1.06	3.02	3.53	4.06	6.01
In US\$	x	x	x	x	3.75	2.99	1.89	3.88	2.86	2.22	2.53
Minimum average monthly earnings											
In Somoni <sup>7</sup>	70	1260	8000	8000	0.14	0.32	0.32	1.00	1.00	1.00	2.00
In US\$	x	x	x	x	1.34	1.10	0.57	1.28	0.81	0.55	0.84
Minimum average monthly old age pension in Somoni <sup>8</sup>	152	1,526	12,207	11,776	0.26	0.48	0.48	2.00	2.00	2.00	2.00
GDP (in 2001 prices), million Somoni	5,871.5	...	...	...	...	1,907.9	1,940.4	2,043.4	2,118.8	2,294.7	2,528.8
GDP per capita											
Somoni	925.7	...	...	...	...	300.8	305.8	322.1	334.1	361.8	398.7
US\$	390.2	...	...	...	...	126.7	128.9	135.7	140.8	152.4	168.1
Industrial production in 2001 prices, million Somoni	3,888	...	...	...	...	1,331	1,305	1,412	1,491	1,638	1,884
Production of consumer goods in 2001 prices, million Somoni	1,645	...	...	...	...	376	336	395	360	361	496
Agricultural produce in 2001 prices, million Somoni	1,454.3	...	...	...	...	853.6	839.4	858.4	857.8	941.1	1,045.0
Freight transported million Ton	79.8	28.5	15.0	28.8	21.4	15.3	16.0	16.5	14.4	15.3	15.4

<sup>4</sup> 1991-1994 – billion roubles.

<sup>5</sup> 1991-1994 – billion roubles.

<sup>6</sup> 1991-1994 roubles.

<sup>7</sup> 1994-1994 roubles.

<sup>8</sup> 1991-1994 roubles.



	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Passengers transported million people.	465	264	191	125	119	110	106	116	121	112	120
Capital investments, million Somoni <sup>9</sup>	2.2	11.9	17.2	415.9	5.6	26.6	67.5	68.3	122.5	108.6	194.8
Start-up of exploration of Capital assets, million Somoni <sup>10</sup>	1.2	3.8	60.7	116.6	2.5	9.9	58.7	27.6	81.0	81.6	218.1
Start-up of apartment houses, thousands m <sup>2</sup>	1,225.2	635.2	523.2	224.8	226.2	167.0	265.1	226.9	224.9	245.5	275.3
Retail commodity turnover (in 2000 prices), million Somoni	5,400.6	1,398.8	1,100.8	784.9	607.5	570.4	621.8	674.6	703.0	558.2	777.7
Paid services rendered to population (in 2000 prices), million Somoni	441.8	129.0	124.2	63.4	51.4	56.1	57.9	60.8	154.07	188.9	389.5
Foreign trade turnover, million US\$	131.1	353.2	881.9	1,038.9	1,558.5	1,438.2	1,496.0	1,307.6	1,351.8	1,459.3	1,339.0
Export, million US\$	67.9	192.5	349.8	491.9	748.6	770.1	745.7	596.5	688.7	784.3	651.5
Import, million US\$	63.2	160.7	532.1	547.0	809.9	668.1	750.3	711.0	663.1	675.0	687.5
State budget revenues, million Somoni <sup>11</sup>	6.1	43.2	407.4	1,272.1	9.9	59.9	109.0	180.4	249.8	251.7	382.3
in % to GDP	...	...	...	...	14.2	19.4	21.0	17.6	18.6	13.9	15.2
State budget expenditures, million Somoni <sup>12</sup>	5.0	37.5	336.4	936.2	9.4	57.5	105.1	178.7	236.4	261.8	379.7
in % to GDP	...	...	...	...	13.5	18.7	20.3	17.4	17.6	14.5	15.1
Total housing area per person, m <sup>2</sup>	9.5	8.9	8.9	8.9	9.1	9.1	9.1	9.0	9.0	9.1	8.5
Hospitals and clinics	374	377	389	408	434	417	416	424	433	441	439
Beds per 10,000 people	107.2	108.4	104.6	88.0	80.2	72.9	69.9	67.7	67.7	65.8	63.4
Schools	3,179	3,270	3,334	3,400	3,416	3,432	3,484	3,522	3,551	3,557	3,649
Students, thousand	1,310.2	1,260.2	1,226.7	1,274.8	1,310.1	1,327.3	1,374.0	1,436.6	1,464.9	1,504.4	1,560.0

<sup>9</sup> Data on capital construction – in current prices of corresponding years. 1991-1994 – billion roubles.

<sup>10</sup> Data on capital construction – in current prices of corresponding years. 1991-1994 – billion roubles.

<sup>11</sup> 1991-1994 – billion roubles.

<sup>12</sup> 1991-1994 – billion roubles.

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Higher Education Institutions	13	18	21	22	24	25	25	246	296	306	316
Students, thousand	69.3	70.6	69.0	73.3	74.0	76.0	76.7	75.5	79.2	77.7	84.4
per 10,000 people	124	127	122	128	126	127	126	123	130	127	135
Vocational schools	43	48	50	50	44	47	44	426	486	536	506
Students, thousand	40.7	38.3	38.4	34.9	26.8	23.5	19.9	19.4	23.2	25.3	23.8
per 10,000 people	73.0	68.7	67.3	60.3	45.6	39.5	32.5	32.2	37.4	41.3	37.8
Registered crimes per year	18,477	25,296	24,596	14,297	14,530	13,386	13,201	13,161	14,413	14,455	14,117

Notes:

1) With correction including missing; 2) According to registration of civilian registrar's office; 3) 1991-1994 – roubles; 4) data on capital construction – in current prices of corresponding years; 5) 1991-1994 – billion roubles; 6) including branches; 7) expanded frame of services.

## **2. Economic policies**

### **(a) Main directions of the ongoing economic policies**

Since its independence Tajikistan started fundamental social and economic reforms and transition to market-oriented economy. Already at the first stage of transition the Government of the country started partially using an economic policy called "Shock therapy". First, liberalization of prices with simultaneous suspension of subsidies for producers and consumers was carried out. In order to contain the inflation pressure evolved as a result of these measures, stabilization monetary policy was conducted which would limit money supply and reduce state expenditures for decreasing the state budget deficit. Simultaneously liberalization of foreign currency markets was carried out which represented in a way privatization policy and the whole process was coming to the end by measures on structural reorganization aimed at creation of the basis for future market-oriented economy. Taking into account the necessity of development of macroeconomic policy, creation of related structures and regulatory documents the Government of Tajikistan was carrying out the following economic objectives:

- Stimulation of the economic growth and development of human resources;
- Alleviation of poverty level;
- Reduction of inequality in parallel with elimination of poverty;
- Effective social security system;
- Allocation of sufficient funds to support and strengthen law and order; and
- Allocation of sufficient funds to develop effective laws and create an effective administrative system.

Economic reforms in the country began achieving necessary dynamics after the adoption of the Decree of the President of the Republic of Tajikistan "On top-priority measures on deepening of economic reforms and speeding up of the transition to market-oriented relations" in December 1994. In 1995 the Government of Tajikistan developed the Program of economic reforms of the Republic of Tajikistan for 1995-2000. The main objectives of this Program were development of legal-regulatory framework for market economy, forming of fiscal and monetary policies, continuation of privatization of state property, structural changes in economy, and social security of population.

In the framework of implementation of the above-mentioned Program of economic reforms, the Government of the Republic of Tajikistan developed and adopted the Medium-term economic program for 1998-2001 aimed at improvement of fiscal system, development and implementation of the state investment program, financial management, foreign exchange and trade policies, structural and sectoral policies, and statistics policy. Implementation of this Program would achieve significant results in terms of stabilization of economic growth, fiscal and monetary stabilization, and implementation of structural and institutional reforms.

The Government of Tajikistan by its Decree No. 398 of 22 September 2000 adopted the "Medium-term program of bringing the agro-industrial system of the Republic of Tajikistan out of crisis and priority lines of development strategy of its branches until 2005." This Program is an integral part of the economic strategy of the country and is intended to achieve the following long-term social-economic goals based on market principles:

- Creation of conditions in the country for formation and development of highly efficient enterprises susceptible to innovation in the agro-industrial system;
- Stabilization and further sustainable development of the agro-industrial system;

- Taking into account global trends and sharing experience of countries having achieved significant development of the agro-industrial system in combination with historical and national traditions and social-cultural character of the Tajik society;
- Reorganization and privatization of industrial and servicing enterprises of the agro-industrial system on the open and competitive basis;
- Creation of full industrial and market infrastructure in the agro-industrial system;
- Improvement of investment policy in the area of strengthening of material and technical basis of agriculture, creation of effective management system and methodology in agro-industrial system and training of specialists; and
- Social transformation of the countryside.

In the agro-industrial system management along with market self-government there will be a place for state regulation of economic processes and state support. The role of foreign and internal investment in development of the country's economy in general and the agro-industrial system in particular should be raised with orientation mainly to advanced scientific-technical and industrial potential.

From the macroeconomic point of view, at present it is possible to note significant results of the economic reform, such as stability of the national currency, completion of small privatization and sale of all state-owned cotton-cleaning plants by auction, sharp reduction of the state budget deficit, formation and development of small and medium entrepreneurship. Since 1997 the country's GDP has been growing steadily.

At the same time, the economy reform in Tajikistan did not come up to expectations. Thus, GDP in 1999 was only 53.4 per cent of 1992 level and volume of industrial and agricultural production was only 37 per cent of 1991 level.

- Pricing policy

On 4 May 1995 the Government of the Republic of Tajikistan adopted the Decree No. 310 "On approval of the Regulation on forming and application of free prices and tariffs."

At present, all prices are liberalized, except cases when goods are delivered by an enterprise, which is classified as natural, allowed or temporary monopoly. See below section 2.e (Competition policy).

- Privatization and plans

Privatization of objects of state and municipal property is one of the most important objectives of Medium-term economic strategy of the Government of Tajikistan for 1998-2001.

In 2000 privatization of cotton-cleaning plants was completed. Tenders were organized and large and medium enterprises were privatized. The total amount of the funds received from privatization of state property during 2000 is 25,584,000 Somoni. Out of this amount the state budget received 24,082,000 Somoni and local budgets received 1,502,000 Somoni.

It is worth mentioning that out of 7,855 objects in the country subject to privatization, to date 6,168 objects (78.5 per cent) are already privatized. The structure of privatized objects by property categories is the following: private property – 4,867, collective property – 1,223, joint-stock companies – 78, and 54 objects are on lease.

In 2001, 252 auctions and tenders were organized, where 417 objects were sold, including 342 small objects and 72 medium and large objects.

The reforms are also being realized in the countryside. The number of farming households during 1997-January 2001 increased from 8,023 to 12,639.

- Sectoral priorities

In January 2002 the Ministry of industry of the Republic of Tajikistan was established which is responsible for industrial policy of the country. At the same time, the industrial policy is an integral part of the state economic policy and is aimed at securing an effective regulation of economic processes promoting sustainable growth of production, meeting needs of domestic consumer market in industrial-technical commodities and consumer goods, stabilizing prices, full employment and equilibrium of balance of payments.

The most important objectives of the energy sector are ensuring energy independence of the country and priority development of power industry, maintaining on high technical level its generative sources and uninterrupted power supply of enterprises of different branches of national economy and population. In order to achieve these goals, the Government of the Republic of Tajikistan concentrates its efforts on completion of construction of the dam of Rogun hydroelectric power station, putting into operation its two first hydropower units, and construction of Sangtuda hydroelectric power station.

The following are objectives of industrial policy in mining:

- Ensuring stable and regular work of functioning enterprises and increase of output and extraction of minerals;
- Introduction of technologies of comprehensive processing of ores, increase of output of finished production based on energy and resource-saving technologies;
- Expansion of investigation on exploration and preparation for industrial development of new deposits of raw material resources to meet industrial needs of the country; and
- Restructuring of the sector and branch enterprises through attraction of foreign investment.

The principal objective of industrial policy in nonferrous metallurgy is enhancement of efficiency of production based on the following:

- Improvement of usage of production facilities;
- Improvement of production technology;
- Increase in output of main technological equipment and in quality of production; and
- Attraction of foreign investments for the branch development.

Policy in mechanical engineering and metalworking:

- Development and organization of equipment (spare parts) production for textile industry and agricultural machinery, as well as conversion of enterprises for new products and processing of primary aluminum.

In electrical industry:

- Production of equipment for energy industry and complex electrical (household) appliances.

One of the top-priority objectives of industrial policy of the Republic of Tajikistan is priority development of the light industry based on rational usage of available production facilities and local

raw materials. In this regard, the issue of attraction of foreign investment in this branch of industry through creation of joint ventures and modernization of available enterprises becomes very important.

The policy in the chemical industry is aimed at solution of the issue of providing the agro-industrial system of the country with nitric fertilizers, increase in the production of disinfectants and detergents, hydrate of sodium, and other chemical production based on improvement of every kind of the usage of available production facilities, introduction of progressive power and resources-saving technologies in the enterprises of the branch.

In the building materials and building units industry the industrial policy is aimed at improvement of the usage of available production facilities, reconstruction and building of new production facilities for new types of building materials with use of local raw materials which will facilitate increase of production of building materials and building units.

Securing fuel independence of the country, forming of a set of documents and carrying out international tenders aimed at attraction of foreign investment for increase of exploration work and development of new gas and oil fields, construction and bringing into service of a refinery and dry gas fuel production facility are top-priority lines of the development of the oil and gas branch.

Gold-mining industry should play a very important role in achieving macroeconomic stability and economic growth in the country. Explored gold reserves allow increasing annual gold output up to ten tons. In this regard, it is very important for this branch of industry to attract foreign investment for the exploration and operation of deposits.

One of the most important elements of the industrial policy in the country is development of processing industry and production of foodstuff. This policy is aimed at development of small and medium-size food-processing enterprises on the spots close to production facilities.

The development policy in pharmaceutical industry is aimed at creation of a developed branch based on available production facilities and natural potential through production of medicines out of local medicinal herbs.

Tajikistan is predominantly an agrarian country. The share of the agriculture in the GDP is about 20 per cent and around 60 per cent of labour resources are concentrated in this sector of economy. The main objective of the Tajikistan's agriculture is to significantly increase the level of meeting needs for food stuff as well as completely meet needs in the products for which there are all necessary conditions in the country (vegetables, potato, melons and gourds, fruits, grapes). In order to meet needs of population and national economy in grains and increase the level of food security of the country, it is intended to increase the production of grains up to 1,000,000 tons by 2005 through increasing the crop capacity and use of advanced technologies of strengthening of grain growing.

Taking into account strategic importance of cotton production, it is a strategic objective to preserve for next five years areas at the level of 250,000 hectares at constant crop capacity increase, ensure growth of its gross output and bringing it to 700,000 tons by 2005.

Horticulture, viticulture and vegetable-growing. The branch has a chance to exceed required normative output indicators per capita through recovery of already reached crop capacity. The viticulture branch will be reoriented for production of predominantly table brands of grapes.

#### **(b) Monetary and fiscal policies**

The process of the economic reforms and its efficiency in Tajikistan in many respects are defined by stability and reliability of the credit-monetary system regulated by the National Bank of

the country. It is necessary to note that at the initial stage of reforms of credit-monetary policy of the Republic of Tajikistan, it directly depended on the credit-monetary policy of the Russian Federation. Tajikistan was practically the last of the CIS countries to introduce its national currency, having outlived the situation of uncertainty in the integration of the monetary system with the monetary system of the Russian Federation, and having faced a problem of no remittance of payments to the CIS countries. In May 1995 the interim national currency – rubl was introduced. It existed until October 2000 when the national currency - Somoni was introduced.

During 1991-1997 main laws, which regulate the credit-monetary system were adopted and preconditions for forming and development of the monetary system during the transition period were created. These are the following laws and normative acts: The Law of the Republic of Tajikistan "On banks and bank activity in the Republic of Tajikistan" (1998); The Law of the Republic of Tajikistan "On the National Bank of the Republic of Tajikistan" (1996); The Law of the Republic of Tajikistan "On securities and stock exchanges" (1992); Instruction No. 28 "On settlement, current and budgetary accounts, opened in bank branches of the Republic of Tajikistan" (1993); "General rules of regulation of bank activity in the Republic of Tajikistan" (1995); Regulation "On the order of creation of commercial banks and cessation of their activity in the territory of the Republic of Tajikistan" (1995); Regulation "On clearings in the Republic of Tajikistan" (1995); Regulation "On the order of the forming and use of the fund of covering the possible losses on loans" (1997); "The order of the issue of permits for opening accounts in foreign currency by residents in banks outside the Republic of Tajikistan" (1997).

Henceforth, the following normative acts aimed at improvement of the bank system and credit-monetary policy were adopted: Instruction No. 90 "On savings accounts, opened in banks of the Republic of Tajikistan"; Regulation No. 86 "On bankruptcy of credit organizations"; Decree of the Majlisi Oli "On principal guidelines of credit-monetary and foreign exchange policies of the Republic of Tajikistan for 2000"; Regulation "On credit unions"; Regulation "On authorized branches"; Regulation "On bankruptcy of banks and non-banking organizations"; Regulation "On auditor activity in banking system of the Republic of Tajikistan"; Instruction of the National Bank "On the order of the registration of banks, their subdivisions and licensing of the bank activity in the territory of the Republic of Tajikistan".

At the same time, in the area of legal support of credit-monetary and foreign exchange policy it is necessary to make relevant changes in banking legislation in terms of reorganization and improvement of the system of credit agencies and foreign currency regulation.

The National Bank of the Republic of Tajikistan is the emission center, which regulates monetary circulation in the country. The emission is being realized by the National Bank in three ways: granting credit to credit institutions, crediting the treasury and sterilization of the issue of bank notes through their exchange to foreign currency.

In order to strengthen control over activities of commercial banks, the document "General rules of regulation of activities of banks in Republic of Tajikistan", was put into force in 1996. It sets obligatory economic standards of activities of banks due to the necessity to guarantee and protect interests of creditors and depositors and to provide stability of the functioning of the banking system.

In 1999 transition to the International accounting standards took place.

Currently there are 13 active banks, one branch of the foreign bank and three credit unions in the Republic of Tajikistan:

- Public corporation "Agroinvestbank";
- Public corporation "Orienbank";

- State savings bank of the Republic of Tajikistan "Amonatbank";
- State joint stock commercial bank of foreign economic activity of the Republic of Tajikistan "Tojiksodirotkbank";
- Closed corporation "East-Credit Bank";
- Tajik joint stock commercial industrial bank of reconstruction and development "Tajprombank";
- Joint stock commercial bank "Eskhata";
- Closed corporation "Kafolatbank";
- Closed corporation "Somon-bank";
- Public corporation "Khujand-bank";
- Public corporation "Sohibkorbank";
- Joint Investment Central Asian Bank;
- Closed corporation "Bank Olympus";
- Branch of "Tejarat" bank of the Islamic Republic of Iran in Dushanbe;
- Limited liability credit union "Fonon";
- Limited liability credit union "Dehqon"; and
- Closed corporation credit union "Ganjina".

The principal guidelines of the credit-monetary and foreign exchange policy are determined in full compliance with acting legislation of the Republic of Tajikistan and principles of market economy, which anticipate information openness and transparency.

Stabilization of the economic situation in Tajikistan gave a chance to stop allocation of credit to cover State budget deficit of the Republic of Tajikistan. For this purpose funds from non-inflation sources are used, including through issue and sale of state treasury bills. Refinancing rate level was reduced from 250 per cent in 1996 to 20 per cent in 2001.

Based on objectives of credit-monetary and foreign exchange policy, refinancing is carried out through credit auctions. These measures helped to provide certain protection from excessive increase in money supply and to restrict granting centralized credits.

Despite a positive shift in the foreign sector of economy, particularly increase of foreign trade turnover, the current balance of payments was negative in 2001 as in 2000. The country's trade balance represents the main portion of its balance of payments deficit. The negative trade balance in 2001 was equal to US\$30,900,000.

In 2001 an effective mechanism of credit-monetary and foreign exchange policy, collateral crediting, was introduced. In turn, it facilitated development of a secondary market of securities, which started developing in Tajikistan after 1998, i.e. since the day of the issue of state treasury bills. Initially the short-term securities of the Ministry of Finance (state treasury) bills were issued in 1999 and their turnover was 28 and 91 days and in 2001 - 182 days. In 2001 the National Bank started issuing its own certificates of deposit with turnover of 14, 28, 56, 91 and 182 days.

In 2001 net internal assets of the banking system of the Republic of Tajikistan grew up by 36.9 per cent due to the growth of credit investments in the real sector of economy, including cotton sector. It is necessary to note that net foreign assets of the banking system for the same period decreased by 2.1 per cent due to the growth of debt liabilities of the Republic of Tajikistan before international finance institutions. Increase in net internal assets and reduction of net foreign assets in turn brought the growth of money supply.

Foreign exchange policy is one of the components of the credit-monetary policy. In 2001 the foreign exchange policy was carried out in accordance with the general concept of the credit-



monetary policy and was focused at providing stability of the national currency (Somoni) increasing its purchasing power, further developing the foreign exchange market, liberalization of foreign exchange operations, and maintenance of stable prices of consumer goods.

In 2001 it was possible to keep reduction of official exchange rate of Somoni in relation to the US Dollar at the level of one per cent per month against 4.5 per cent in 2000. Further liberalization of foreign exchange operations and wide use of the mechanism of floating exchange rate facilitated to the reduction of the difference between official and market exchange rates of Somoni. These rates are the result of Interbank foreign exchange market which started working in 2001. There is full internal convertibility of the Somoni.

Currently the credit-monetary and foreign exchange policy is focused on the implementation of the Program of social-economical development of the Republic of Tajikistan for 2002-2005, which includes the following objectives:

- Creation of favorable conditions for the growth of real GDP by not less than five per cent per year;
- Reduction of inflation rate;
- Increase of foreign currency reserves of the country sufficient to cover import during 2.5 months;
- Improvement of the mechanism of interbank foreign exchange, credit, and securities market.

In the area of credit-monetary policy:

- Ensuring stability of the national currency--Somoni and its purchasing power;
- Strengthening and developing of the banking system, raising effectiveness of its activity;
- Improvement of payment system in order to develop a mechanism, which will ensure the following: a) effective functioning of the system; b) continuity of commodity and financial-monetary flows, revenue and expenditure flows, savings and investments.

In the area of foreign exchange policy:

- Creation of favorable conditions for internal convertibility of Somoni, ensuring stability of its exchange rate to foreign currencies;
- Continuation of the line to further liberalization of foreign exchange operations
- Taking measures on the improvement of work of the interbank foreign exchange market.

The exchange rate policy is an important issue of the credit-monetary and foreign exchange policy in the near-term outlook. In 2002 in this area the mechanism of the use of the floating foreign exchange rate regime was kept. According to this regime, intervention on the foreign exchange market is restricted to operations on evening-out of the rate fluctuations adequate to the credit-monetary policy. In this way, the influence of the factor of instability of world prices is eliminated and conditions for accumulation of gold and foreign exchange reserves and evening-out of the drastic exchange rate fluctuations of Somoni are created.

For the management of regulation and maintaining the exchange rate of Somoni, the National Bank of Tajikistan (NBT) widely uses such important instrument as management of gold and foreign currency reserves.

- Instruments of credit-monetary and foreign exchange policy

In order to create conditions for reduction of inflation rate and regulation of money supply, in 2002 the NBT will continue the work on improvement of current instruments of credit-monetary policy and collateral crediting. Collateral crediting is given to commercial banks on refinancing interest rate taking into account lack of liquidity of these banks.

The activity of the interbank credit market is improving. The participation of banks on this market gives them a chance based on purchase-sale of free credit resources to determine the market interest rate for credits. For effective regulation of money supply and the level of liquidity of banks the collateral crediting is also used. Commercial banks will be allowed to use, as in the past, up to 25 per cent of the required reserves for purchase of state treasury bills and deposit certificates of the NBT. In this case, they can increase their assets out of proceeds of highly liquid securities, and maintain their liquidity on the given level.

The NBT will take measures aimed at strengthening of money circulation and increasing the effectiveness of interstate economic relations. Among such measures are the build-up of gold and foreign currency reserves, improvement of its management, active participation in the work of the interbank credit market, and enhancing of credit control.

- Reform in the banking system

The reform of the banking system is also carried out in other areas such as:

- Expansion of the range of banking services and improvement of their quality;
- Improvement of activity of credit, securities and foreign exchange markets;
- Banking support to the private sector through granting of microcredits to entrepreneurs, dehqan households and persons who are involved into small entrepreneurship without status of legal person;
- Creation of non-banking financial institutions to render financial services including in the countryside;
- Speeding-up of settlements of accounts through transition to the system of electronic payments;
- Creation of the national payment system with the use of plastic bank cards "Tajcard";
- Building confidence in the banking system through ensuring strict observance of the banking legislation in the area of customers' rights protection, confidentiality of holdings and movement of funds on their accounts; and
- Reviving of banking activity in the area of attracting holdings of the population, creation of conditions for insurance of deposits, guaranteeing their safety.

- Improvement of the payment system

In 2002 the interbank settlements of accounts mainly switch to the system of electronic payments. Completion of this task facilitates cutting down the time for settlements of accounts and speeding-up the turnover of non-cash funds. This year the work on creation of a national payment system with the use of the plastic card (bank card) technology will be continued. A national processing center is being established and the network of service points of bank cards (ATM) is expanding.

- Fiscal policies

With adoption of the Law of the Republic of Tajikistan "On fundamentals of budgetary structure and budgetary process" in 1997 and corresponding laws about the state budget, adopted for

each year, the appropriate legislative basis in the area of the budgetary relations of the state was created. This basis facilitated stabilization of the economy, finance and budget of the country.

In order to successfully implement the financial reform, the Ministry of Finance of the Republic of Tajikistan in cooperation with the Tax Committee developed the Taxation Code of the Republic of Tajikistan. This Code was adopted by the Majlisi Oli (Parliament) on 12 November 1998 and brought into effect on 1 January 1999. The new Taxation Code contains five main types of taxes: value-added tax, sales tax, profits tax, income tax, and excise tax on certain types of goods<sup>13</sup>.

During its development the main principles of tax policy and tax management, building of the integrated tax system, simplification of tax collection mechanisms, annulment of irrational taxes and other obligatory payments of tax nature, as well as reduction of number of inefficient taxes were taken into account.

Since 2000 Tajikistan turned to new budgetary classification of revenues and expenses, which meets international standards of the classification of state budgets of countries with market economies and completely corresponds to the Statistics of state finance, designed by IMF.

In order to strengthen the state budget and to increase its revenue, the sales tax on cotton and aluminum was authorized and introduced.

In order to quickly settle interstate payments and debt instruments on the current and late payments, the Department of foreign debts at Ministry of Finance of the Republic of Tajikistan was created, which began functioning in the second quarter of 1997. This Department deals with restructuring and servicing of the foreign debt.

Revenues of the state budget for 2001 in percentage to GDP were 15.21 per cent that is 1.3 per cent higher than the level of 2000. The state budget on revenues and grants for 2001 was fulfilled to 107.8 per cent of the adjusted plan for this period and made up 382.3 million Somoni.

Expenditures of the state budget for 2001 amounted to 379.7 million Somoni, or 100.6 per cent of the adjusted plan for 2001. In comparison with 2000 the volume of executed expenditures increased by 117.9 million Somoni or by 45 per cent. The ratio of expenditures to GDP was 15.1 per cent with an increase of 0.6 per cent to the level of 2000.

A deficit of the state budget in the amount of 30,200,000 Somoni or one per cent of GDP is foreseen by the law of the Republic of Tajikistan "On the state budget of the Republic of Tajikistan for 2002" and will be compensated through privatization of the state property, credits of the World Bank and the Asian Development Bank, securities sale, and issue of long-term bonds of the Government of the Republic of Tajikistan.

### **(c) Foreign exchange and payments system**

The legal framework of the foreign exchange operations, rights and responsibilities of participants in the foreign exchange market were determined by the Law of the Republic of Tajikistan "On regulation of foreign exchange and foreign exchange control" passed in November 1995. According to the Law, the National Bank of Tajikistan is the principal state body responsible for organization and regulation of foreign exchange market activity and activity of its participants.

In April 1995 the Tajik Interbank foreign currency exchange was established by the decision of the general meeting of founders as a joint stock closed corporation for organization and holding

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<sup>13</sup> For excise tax rates, see Annex 9

tenders on wholesale purchase and sale of foreign currency. Attempts of the Government and the National Bank of Tajikistan to provide by administrative measures a sufficient supply of foreign currency were not successful. In 1998 the National Bank of Tajikistan turned to the floating rate by starting holding more frequent tenders (twice a week), but in smaller volume of the foreign exchange payments. Since June 1999 tenders were held daily.

On 20 September 2001 shareholders of the Tajik Interbank foreign currency exchange passed the Resolution "On liquidation of the Tajik Interbank foreign currency exchange." Based on this Resolution, the Board of Directors of the National Bank of Tajikistan passed the Resolution No. 261 of 9 November 2001 "On withdrawal of the licence on holding banking operations in foreign currency with the Tajik Interbank foreign currency exchange."

The main document, which determines rules and the order of organization and functioning of the interbank market "The Code of conduct of the founders of the interbank foreign exchange market of the Republic of Tajikistan", was passed on 17 July 2000 by the general meeting of authorized dealers of the banks-founders. It was decided to begin functioning of the interbank market on 19 July 2000. This day is the official date of the beginning of functioning of the interbank foreign exchange market of the Republic of Tajikistan. What is really important for the interbank foreign exchange market is that the National Bank of Tajikistan does not interfere in the process of rate fixing. The National Bank takes part in tenders as a participant and does not directly affect the process.

In accordance with the Law of the Republic of Tajikistan "On regulation of foreign exchange and foreign exchange control" passed in 1995, foreign exchange in the Republic of Tajikistan can belong to both residents and non-residents. Right of ownership of foreign exchange is protected by state alongside with the right of ownership on other objects of property. Residents have a right to buy foreign exchange on the domestic exchange market of the Republic of Tajikistan in accordance with established order. Purchase and sale of foreign exchange takes place through authorized banks and their exchange offices. The foreign exchange deals can be implemented on the interbank foreign exchange market through authorized banks.

The decree No. 424 of the President of the Republic Tajikistan of 24 February 1996 cancelled the obligatory sale of a part of foreign exchange earnings from export production sale to gold and exchange currency reserve of the NBT.

The order of action of currency exchange control bodies and agents, exporters of raw materials, production and goods, concrete mechanism of completion of documents and customs clearance, movement of currency (earnings) and provision of information on currency exchange control and forms of its processing, as well as liability in all participants of foreign trade operations are determined in detail in the Regulation on the order of implementation of the currency exchange control of foreign currency coming into the Republic of Tajikistan from exports of goods, approved on 14 September 1996 by Orders of the Chairman of the Board of directors of the NBT and the Chairman of the Customs committee of the Government of the Republic of Tajikistan.

In accordance with the Regulation, all exporters regardless of patterns of ownership, including physical persons, are obliged to provide the transfer of the exchange earnings from sales of goods outside the Republic of Tajikistan to foreign currency accounts of their servicing bank in the Republic of Tajikistan.

The Decree No. 106 of the Government of Tajikistan of 11 March 2000 determines the order of import and export of foreign currency in cash and securities. According to this order, import of foreign exchange by residents and non-residents to the Republic of Tajikistan is implemented without any limitation and with observance of the requirements of the customs legislation. Physical persons,

residents and non-residents, are allowed to take out of the Republic of Tajikistan foreign currency in cash up to US\$2,000 without confirming documents about legality of its origin.

At the export of foreign currency in cash in the amount over the given fixed sum it is necessary to present to customs documents confirming legality of the origin of the sum (customs declaration, confirming import of foreign currency in cash or other foreign exchange valuables to the Republic of Tajikistan; certificate-permit on export of exchange valuables, issued by authorized banks and the NBT).

- Relations with the IMF

Tajikistan became a member of the IMF on 27 April 1993. The quota of Tajikistan in the IMF is equal to 87 million SDR (approximately US\$118,000,000). The number of votes of Tajikistan in the IMF is 1,120 or 0.05 per cent of total number of votes.

- Financial aid

Beginning 1996 Tajikistan used twice the IMF resources (see below the detailed information in Table 1) to support economic programmes implemented by the Government of the Republic of Tajikistan. Besides, the IMF approved two credits within the framework of emergency assistance in the post conflict period: the first part equal to 7.5 million SDR on 19 December 1997; the second part, also equal to 7.5 million SDR on 1 April 1998.

As of the end 1999 the total volume of overdue credits and loans was equal to 73.21 million SDR.

Table 1

Agreement	Approval date	Expiration or annulment date	The sum approved (in million SDR)	Used sum (in million SDR)
Standby	8 May 1996	7 December 1996	15	15
PGRF <sup>14</sup>	24 June 1998	23 June 2001	100.3	46.96

- Technical assistance

IMF provides technical assistance to Tajikistan in a number of areas, such as state expenditures, tax policy and tax collection system, credit-monetary policy, organization of the NBT, banking supervision and statistics.

**(d) Foreign and domestic investment policies**

Investment is necessary for economic growth because it is the main driving force and catalyst of reforms. In conditions of lack of internal investment the Republic of Tajikistan is in great need of attracting foreign investment for rise of economy of the country and achieving sustainable macroeconomic growth. In this regard, the Government of the Republic of Tajikistan undertakes active investment policy aimed at creation of favorable investment climate, granting equal rights and

<sup>14</sup> On 22 November 1999 the mechanism of expanded financing of structural reconstruction (ESAF) was renamed into the mechanism of financing of the poverty reduction and assisting economic growth (PGRF) and reoriented to the support of programmes intended for considerable and sustainable strengthening of positions on the balance of payments and assistance to long-term economic growth, which leads to the rise of life standards and reduction of poverty. PGRF is a mechanism of the IMF preferential financing.

guarantees to both foreign and domestic investors, protection of their interests and property on the territory of the country.

The Government of the Republic of Tajikistan has developed and determined a legislative framework, which stimulates attraction of foreign investments. The law of the Republic of Tajikistan "On foreign investments in the Republic of Tajikistan" of 10 March 1992 defines the legal framework for the participation of foreign capital in the economy of the country and contains a number of benefits for foreign investors. For foreign investment in priority branches of economy and in separate territories, additional tax relief and other benefits can be determined in the legislation of the Republic of Tajikistan.

Although legislative acts of the Republic of Tajikistan can define territories, where activity of foreign investors and enterprises with foreign investments is limited or prohibited due to security or other concerns, to date no restrictions on participation of foreign capital in the economy of the country has been introduced.

In order to attract foreign investments the Government of the Republic of Tajikistan studies world experience and tries to create additional benefits for potential investors. Thus, the Ministry of Economy and Trade of the Republic of Tajikistan has currently developed drafts on amendments and changes in legislation in force. Particularly, it was proposed to waive the profits tax for enterprises with participation of foreign capital from two to five years depending on investment volume. Also it was suggested to establish legal protection of foreign investors from further changes in legislation, which can bring an increase of total tax load of enterprises with foreign investments.

According to the law of the Republic of Tajikistan "On privatization of the state property" of 16 May 1997, foreign legal and physical persons can participate in privatization of the state property in the Republic of Tajikistan on equal terms with citizens of Tajikistan. The Government of the Republic Tajikistan decides on privatization of especially important objects.

The Government of the Republic of Tajikistan also intends to carry out a policy in the future, aimed at improvement of the investment climate and legislative framework for attraction of foreign capital into the national economy of the country.

#### **(e) Competition policies**

The Government of the Republic of Tajikistan undertakes logical steps for the creation of fundamentals of multi-structural economy and development of conscientious and fair market climate in the country. These efforts aim at development of competition, which should become the main factor stimulating domestic producers to produce competitive goods and reduce production costs. In this regard the process of privatization and denationalization of state property is going on. The process of improvement of the legislative framework is continuing. For instance, in 2000 the Law of the Republic of Tajikistan "On competition and restriction of monopolist activity on goods markets" was passed. In this law organizational and legal bases of warning, restriction and prevention of monopolist activity and unfair competition are defined. At the same time, it is aimed at providing conditions for creation and effective functioning of goods markets. However, the analysis of the market of goods and services shows that development of competition is limited by the weak development of small and medium business, shortcomings of the banking system, system of the exchanges, lack of securities market as such, and also by the fact that market relations are in stage of formation and only fundamentals of the market economy are created and by preservation of the state administrative monopolism. All that increases the pressure on the system of state antimonopoly regulation. Objectives of the antimonopoly regulation in Tajikistan are broader than preservation and protection of competition, which practically needs to be created from scratch. Therefore, the State antimonopoly agency designed and submitted to the Government of the Republic of Tajikistan draft

laws "On state support of the small entrepreneurship in the Republic of Tajikistan," "On advertisement," new edition of the Law "On protection of the consumer rights," and other laws of the Republic of Tajikistan that should facilitate development of competition on the market of goods and services.

- Regulations on existence and activity of monopolies or service providers having special status

In accordance with the Law of the Republic of Tajikistan "On natural monopolies" the activity of natural monopolies is controlled and regulated in the following areas: services on production and transmission of electric energy, services on purchase, transportation and supply of natural gas via pipelines, railway and air transportation, services of transport terminals and airports, communication services, production of goods of defense importance. The main methods of the regulation of the activity of natural monopolies are price regulation, realized through determination of prices, rates or their maximum level; determination of the consumers rights to obligatory service and setting up the minimum level of the service in the event of impossibility to satisfy in full the needs in goods (work, service), produced (realized) by the natural monopoly taking into account the necessity of protection of rights and legitimate interests of citizens. The State Agency determines by its orders (decisions) rates on electric and thermal energy in accordance with the above-mentioned law. In the area of services related to purchase, transportation and supply of natural gas via pipelines, the Agency approves rates on natural gas supply to all groups of consumers based on the supporting documents from the State unitary company "Tajik gas". Rates and tariffs in the area of railway transportation are determined within the framework of the CIS Unified tariff policy. The Tajik railway approves rates and tariffs for railway transportation only after agreement with the State Antimonopoly Agency. As for tariffs on services of air transportation, a similar order of consideration and approval is used. Since airports functioning on the territory of the country are structural subdivisions of Tajik Air Company "Tajikistan", services of airport facilities are included into the tariffs on air transportation services and are not considered separately.

### **3. Foreign trade in goods and services**

As is well known, in the Soviet period the economies of the former Soviet republics were basically aimed at satisfaction of internal needs of the Soviet Union and partners in the socialist camp, first of all, countries-members of the Council for Mutual Economic Assistance (COMECON).

The process of real and free development of foreign economic relations of the Republic of Tajikistan began since declaration of the country's sovereignty. During this time solid legal-regulatory framework of the foreign economic activity was created, single national policy in this area was developed based on free competition on domestic and foreign markets and principal guidelines of deepening and reforming of foreign economic relations were determined.

The foreign trade was liberalized and small and medium privatization was completed. What is important-priorities of foreign economic activity and pilot branches of national economy, which define development of economic potential and rationalization of import, were determined.

The Government of the Republic of Tajikistan made concrete steps in order to have foreign economic strategy of the Republic of Tajikistan first of all based on the policy of increase of export and rapid development of import replacing industries. All conditions were set up for primary development of such branches, which would provide export of resources not only in the form of raw materials but also mainly as finished goods in demand on the foreign market.

In accordance with the Decree of the President of the country the Comprehensive program of reforms and structural changes in domestic economy was developed which clearly defined key

objectives and measures necessary for their successful implementation. Main goals of this program are single trade-economic policy, single development programmes, and stabilization of functioning of branches of national economy.

Structural changes are one of the most important steps in implementation of this Program. Understanding the necessity of concentrating efforts of the state on complete mechanism of the whole social-economic system of the country and in order to implement a single economic, trade, and foreign economic policy, the Ministry of Economy and Trade of the Republic of Tajikistan was created in January 2001 by the Decree of the President of the Republic of Tajikistan.

Structural changes, implementation of the above-mentioned objectives and guidelines for practical work of structural subdivisions of the Ministry are realized taking into account the specific character of development of foreign relations with every country of the far and near abroad with the aim of integration of the Republic of Tajikistan into world society.

The Republic of Tajikistan pays priority attention to development of foreign economic relations both on bilateral and multilateral levels. By 2002 the Republic of Tajikistan has established trade-economic relations with more than 80 countries. The main form of the foreign economic relations of the Republic of Tajikistan is foreign trade.

It is necessary to stress that in the course of many years the structure of foreign trade has not been favorable for the economy of the Republic of Tajikistan. In export there is prevalence of undesirable export of raw materials and non-ferrous metals, and in import—power resources and foodstuff. One-sided structure of export intensifies the dependence of foreign trade and the state of national economy in general on the fluctuation of prices on the world market, particularly on the aluminum and cotton markets where prices have had a trend to fall in the course of several years.

The foreign trade turnover of the country in 2001, including export and import of electric power and import of natural gas, amounted to US\$1,333,900,000 that is nine per cent lower than the level of 2000 or US\$125,500,000 less. At the same time, the balance of trade of the country was negative: the import exceeded the export by US\$30,900,000. The balance of the foreign trade turnover was negative due to the following reasons:

- Significant reduction of the average prices on the world market of the main commodities exported from the country, such as aluminum and cotton, and increase of the prices on many imported goods. Thus, the average price on primary aluminum in comparison with the similar period of 2000 dropped US\$197/ton and was equal to US\$1,388/ton against US\$1,585 in 2000. Due to this slide, the country received US\$56,500,000 less. Besides, the price on cotton for the last year dropped US\$217/ton on average. The situation aggravated even more due to the reduction of export of cotton in 2001 of 3,400 ton and the country received US\$20,300,000 less than expected. One more reason for the widening of the deficit of the trade balance was the increase of prices on imported goods. Thus, on imported oil products average price increased from US\$218/ton in 2000 to US\$265/ton in 2001. As a result, only for purchase of oil products the country spent US\$13,000,000 more than previous year. Preliminary figures show a foreign trade turnover in 2002 of US\$1,454 million of which US\$717.9 million for imports and US\$736.1 million for exports.
- Unsatisfactory activity of the branches of the economy producing import-substituting goods also negatively influences the balance of the foreign trade turnover. Goods and products prevail in import, which could be produced in the country.
- In 2001 the Republic of Tajikistan had foreign trade relations with 71 countries, including 60 countries of far (non-CIS) and 11 countries of near abroad (CIS countries).



- The share of the foreign trade turnover with the CIS countries is 55.8 per cent or US\$744,100,000, and with countries of far abroad 44.2 per cent or US\$589,800,000 (See Table in Annex I).
- The deficit of the trade balance with the CIS countries is US\$321,300,000. In the export part of the foreign trade turnover the share of the countries of far abroad is 67.6 per cent or US\$440,100,000. In import the CIS countries have a significant share: 78.1 per cent or US\$532,700,000 (See Table in Annex I).

- Exports

In 2001 the export of raw materials, products and goods from the country amounted to US\$651,600,000 that is US\$132,800,000 less than in 2000.

As it is noted, in the structure of the export there is still domination of export of goods and raw materials to the countries of far abroad - US\$440,100,000, which is 67 per cent of total export (See Table in Annex I).

The leading importers of commodities from Tajikistan are the Netherlands-US\$194,400,000, Turkey-US\$75,100,000, Switzerland-US\$52,200,000, Iran-US\$29,900,000, Hungary-US\$38,800,000. The export of goods to the CIS countries was equal to US\$211,200,000 including to Uzbekistan-US\$87,100,000 and to Russia -US\$104,700,000.

As a whole, 61.1 per cent of the export volume consists of primary aluminum, cotton 11.0 per cent and electric power-12.0 per cent.

It is necessary to note that in 2001 the volume of export of primary aluminum increased by 13,500 tons. In comparison with previous year, the average price on primary aluminum dropped by US\$197/MT. Aluminum is mainly exported to the Netherlands-48.8 per cent of the total amount, to Russia-13.0 per cent, to Turkey-18.8 per cent and to Hungary-9.6 per cent.

As it was already noted, the ratio of cotton in total volume of export in 2001 is 11.0 per cent (75,400 tons or US\$71,500,000) that is 3,400 ton or US\$20,300,000 less in comparison with the same period of 2000. This is connected with reduction of the world prices on cotton. Cotton is mainly exported to Switzerland-42.4 per cent of total export, to Russia-24.1 per cent, to Iran-6.7 per cent, to Latvia-16.5 per cent.

The share of the electric power in foreign trade turnover is 12.9 per cent and its export amounted to US\$78,400,000 and import to US\$94,000,000.

- Imports

The share of imports in the foreign trade turnover in 2001 was 51.2 per cent or US\$682,400,000 that is US\$7,400,000 more than the corresponding level of 2000 (See Table in Annex I).

Commodities were mainly imported into the country from countries of the near abroad: Uzbekistan 22.0 per cent, Russia 19.0 per cent, Kazakhstan 13.1 per cent, Ukraine 9.3 per cent and Turkmenistan 8.4 per cent. Import of electricity amounted to 5,392,000,000 Kwt/hour or US\$94,000,000 that is US\$24,200,000 less than for same period of 2000.

Import of natural gas was 558,100,000 m<sup>3</sup> or an amount of US\$25,900,000 and decreased by 26.6 per cent or by US\$9,400,000 in comparison with 2000.

The main foodstuff items imported to the country are: wheat, flour, sugar and confectionery, fats and butter and vegetable oil.

The analysis of the data of the Customs committee shows that average prices on exported goods fell in comparison with the same period last year: primary aluminum by US\$197/ton, cotton by US\$217/ton, tobacco and tobacco products by US\$91/ton, fruits and vegetables by US\$15/ton, leather and hides by US\$15/ton. On the contrary, average prices increased on some imported goods. Thus, the price of the diesel oil increased by US\$88 per ton, wheat by US\$2 per ton and mineral fertilizers by US\$15 per ton.

In order to avoid payment of customs duties participants in foreign economic activity deliberately reduce declared prices for imported goods. In this regard it is necessary to continue the improvement of the order of carrying out procedures of export-import operations and its regulation by the government.

In order to ensure the stable growth of the economy and the positive balance of the foreign trade turnover of the country, the Department of the development of the export potential and foreign trade proposes to instruct ministries, agencies and enterprises concerned regardless of the patterns of ownership, and first of all commodity-producing branches, to take measures on top-priority increase of the export of finished products, and in import--the delivery of raw materials, other materials, technologies and equipment for production needs. It is worth orienting them on the gradual application of joint ventures. Main objectives of the joint ventures on the territory of the Republic of Tajikistan should be use of advanced technologies and equipment for production of the products in big demand and build upon advanced forms of organization and production management, and use the sales network of the foreign partner.

#### **4. Domestic trade in services**

Foreign investments in the area of services are not significant so far. There are about 20 joint-ventures functioning in the country in this area. Mainly, foreign investments were made into communication, commercial, educational, constructing and consulting services. This sector of the national economy has big potential, which is not realized, especially in tourism.

The location of the Republic of Tajikistan on the crossroads of the Great Silk Road, rich historical and cultural heritage and unique natural resources create favorable conditions for development of the international tourism in the country. The Government of the Republic of Tajikistan has developed mid-term and long-term programmes for development of the sector with attraction of foreign investments.

The Policy of the Government of the Republic of Tajikistan, aimed at construction and rehabilitation of highways and communications systems with attraction of foreign capital, facilitates the expansion of the infrastructure of the transportation services and telecommunications.

Paid Services to The Population - Volume of Paid Services<sup>15</sup>

In prices of 2000

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	
441.8	129.0	124.2	63.4	51.4	56.1	57.9	60.8	154.0	188.9	389.5	Total paid services, million Somoni
81.1	23.2	22.1	11.1	8.9	9.5	9.7	10.0	25.3	30.7	61.1	Per capita, Somoni

Main Indicators of Consumer Service

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	
235	195	177	110	116	102	89	55	48	44	37	Number of enterprises (as of end of the year)
165	175	159	75	90	63	55	31	25	21	28	In cities
70	20	18	35	26	39	34	24	23	23	9	In the countryside
40.0	32.0	27.9	24.7	20.2	18.4	9.6	6.3	5.0	4.4	4.1	Average number of employed-total, thousands

<sup>15</sup> Since 1996 through all channels of sales.

Number of Ateliers and Shops of Consumer Service by Types

units

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	Total
5,850	2,558	3,123	2,980	2,809	2,281	1,362	1,120	999	875	865	
											By type:
712	267	383	314	295	196	142	169	131	80	96	Repair and custom tailoring of shoes
752	384	477	445	401	280	180	125	93	85	93	Repair and custom tailoring of clothes, custom tailoring and knitting of knitted garments
859	419	422	393	378	301	195	164	138	111	132	Repair of electric appliances, repair and production of metal ware
606	232	263	242	227	177	123	90	96	86	76	Repair and technical servicing of private cars
230	114	120	104	78	62	19	21	8	14	12	Repair and production of furniture
37	22	17	15	16	13	9	9	7	6	7	Dry cleaning and dyeing
70	39	37	35	21	27	18	16	11	11	11	Laundry service
311	105	134	143	133	102	40	22	14	19	16	Repair and construction of housing
223	153	154	134	116	116	71	57	52	61	66	Photo service
113	84	88	80	67	61	38	30	38	29	26	Services of baths and showers
1,325	408	652	604	555	483	248	200	174	175	180	Hairdressing services
79	48	47	38	31	24	10	5	5	12	5	Leasing services
533	283	329	433	491	439	269	212	232	186	45	Other services

Number of Ateliers and Shops of Consumer Service in the Countryside by Type

unit

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	Total
2,468	984	1,319	1,172	1,168	894	447	305	277	198	163	
											By types:
256	80	137	117	103	64	42	54	28	12	23	Repair and custom tailoring of shoes
483	214	277	231	226	128	78	27	22	16	12	Repair and custom tailoring of clothes, custom tailoring and knitting of knitted garments
254	138	131	85	75	55	34	22	9	14	10	Repair of electric appliances, repair and production of metal ware
202	72	96	88	68	47	18	16	26	16	7	Repair and technical servicing of private cars
160	77	82	66	45	32	5	6	3	4	1	Repair and production of furniture
2	2	1	-	1	-	-	-	-	-	-	Dry cleaning and dyeing
8	1	3	3	3	5	1	-	-	-	-	Laundry service
172	58	79	72	71	53	17	8	6	13	6	Repair and construction of housing
63	23	46	35	22	18	10	5	5	4	4	Photo services
15	32	34	35	29	30	27	21	25	16	16	Services of baths and showers
663	195	306	274	264	226	117	65	60	46	46	Hairdressing service
15	7	8	12	6	7	2	1	1	8	1	Leasing service
175	85	119	154	139	228	96	80	92	49	37	Other services

Distribution of Paid Services by Ownership<sup>16</sup>  
(in prices of corresponding years)

in thousand Somoni

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	Paid services total
7.2	27.0	279.9	769.7	2,584.8	8,941.4	15,937.1	32,646.0	120,190.1	188,933.1	389,521.9	including:
											State ownership
5.5	20.0	167.0	693.4	2,411.4	8,433.8	14,777.9	23,885.4	25,817.0	42,340.0	112,512.0	Private ownership
1.7	7.0	112.9	73.3	173.4	507.6	1,159.2	8,760.6	64,373.1	146,593.1	277,009.9	Including:
											<b>Personal</b>
3.2	8.2	69.3	135.6	228.2	447.2	565.1	980.7	83,320.7	83,615.4	150,517.6	- State ownership
2.0	6.0	48.4	93.6	155.7	265.6	353.0	459.8	352.6	429.8	599.0	- Private ownership
1.2	2.2	21.0	41.9	72.5	181.6	212.1	520.9	82,968.1	83,185.6	149,918.6	<b>Passenger transportation</b>
1.4	9.6	128.1	373.8	1,540.6	4,905.9	9,508.6	17,051.8	15,826.6	39,030.1	79,409.5	- State ownership
1.2	5.3	79.8	371.3	1,533.5	4,880.1	9,281.6	14,478.5	12,803.4	23,736.6	63,004.7	- Private ownership
0.2	4.3	48.3	2.4	7.1	25.8	227.0	2,573.3	3,023.2	15,293.5	16,404.8	<b>Communications</b>
0.3	1.1	9.7	30.9	133.7	1,109.0	1,521.0	2,223.4	2,802.4	5,000.3	7,000.6	- State ownership
0.3	1.1	6.9	30.9	133.4	1,108.7	1,520.8	2,196.7	2,508.9	2,001.4	2,679.7	- Private ownership
0.0	0.0	2.8	0.0	0.3	0.3	0.2	26.7	293.5	2,998.9	4,320.9	<b>Housing and communal services</b>
0.9	4.4	42.7	154.9	502.9	1,914.9	3,166.1	6m205.2	9m924.5	16,349.5	43,217.9	- State ownership
0.8	4.2	6.6	134.4	424.9	1,689.6	2,613.9	3,809.5	5,944.1	9,943.3	33,827.9	- Private ownership
0.1	0.2	2.6	20.5	78.0	225.3	552.2	2,395.7	3,980.4	6,406.2	9,390.0	<b>Education</b>
7.5	0.3	1.2	3.6	15.1	41.9	148.0	3,613.3	5,253.4	40,944.4	103,254.0	- State ownership
6.9	0.3	0.6	3.3	14.6	40.0	142.5	1,314.7	2,746.8	3,566.9	9,229.4	- Private ownership
0.6	0.0	0.6	0.3	0.5	1.9	5.5	2,298.6	2,506.6	37,377.5	94,024.6	<b>Culture</b>
0.3	0.4	4.2	4.9	7.8	23.4	36.5	147.6	67.0	98.0	183.7	- State ownership
0.2	0.3	3.3	4.9	7.6	22.3	34.5	147.6	56.8	93.4	179.8	- Private ownership
0.1	0.1	0.9	0.0	0.2	1.1	2.0	-	10.2	4.6	3.9	<b>Tourism</b>
0.3	0.4	2.9	1.6	2.1	14.0	14.2	46.5	45.7	48.4	75.5	- State ownership
0.3	0.4	1.9	1.5	2.1	14.0	14.2	46.5	44.7	44.5	68.4	- Private ownership
0.0	0.0	1.0	0.1	...	-	-	-	1.0	3.9	7.1	

<sup>16</sup> Through all channels of sales.

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	
2.4	0.03	0.5	0.2	0.5	2.0	2.8	3.9	12.4	12.8	9.3	<b>Sports</b>
2.4	0.03	0.04	0.2	0.5	2.0	2.2	3.2	5.2	6.6	2.0	- State ownership
0.0	0.0	0.5	0.0	0.0	-	0.6	0.7	7.2	6.2	7.2	- Private ownership
0.1	0.2	1.5	4.3	10.8	38.7	58.5	99.2	100.3	155.9	340.2	<b>Health care</b>
0.1	0.2	0.7	4.3	10.8	38.7	58.3	83.4	58.2	125.4	287.1	- State ownership
0.0	0.0	0.8	0.0	0.0	0.02	0.2	15.8	42.1	30.5	53.1	- Private ownership
0.2	0.7	5.4	25.9	34.9	94.0	135.0	322.6	359.5	727.0	1,241.2	<b>Sanatoriums</b>
0.2	0.7	0.4	24.3	34.7	93.4	134.8	302.3	334.0	592.3	1,020.8	- State ownership
0.0	0.0	5.1	1.6	0.3	0.6	0.2	20.3	25.5	134.6	220.4	- Private ownership
0.1	0.7	5.8	14.2	65.4	152.1	417.4	714.8	733.0	1,229.4	661.4	<b>Legal and banking institutions</b>
0.1	0.7	3.4	14.2	65.4	152.1	417.4	714.6	733.0	1,226.3	656.4	- State ownership
0.0	0.0	2.4	-	0.0	-	-	0.2	-	3.1	5.0	- Private ownership
0.4	1.0	8.6	19.2	42.8	198.3	363.9	1,237.3	1,744.6	1,721.9	3,611.0	<b>Other services</b>
0.3	0.8	5.1	13.4	28.3	127.3	204.9	328.6	229.2	573.5	956.6	- State ownership
0.1	0.2	3.5	6.5	14.5	71.0	159.0+	908.7	1,515.4	1,148.4	2,654.4	- Private ownership

Providing Paid Services to Population by Ministries and Institutions  
(In prices of corresponding years)

in thousand Somoni<sup>17</sup>

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	
7.2	27.0	279.9	769.7	2,584.8	8,941.4	15,937.1	26,579	31,068.6	52,789.6	126,944.3	Republic of Tajikistan
											including:
2.0	4.4	47.8	104.0	140.1	236.8	296.0	372.0	348.3	505.4	691.4	Tajik state concern on consumer goods and services
1.4	5.3	56.2	141.8	422.7	1,412.3	1,666.7	2,580.1	1,495.4	1,365.2	62,329.9	Ministry of transportation
0.2	3.5	35.6	34.5	371.5	1,272.6	1,968.6	3,685.0	5,370.4	9,118.1	2,400.7	Concern "Tajikkommun servis"
0.3	1.2	9.6	30.6	132.3	1,074.2	1,494.3	2,173.3	2,798.9	4,619.2	5,987.5	Ministry of communications
0.2	0.7	6.4	25.6	45.9	132.8	223.1	346.3	427.8	153.9	205.3	Ministry of Agriculture
0.1	0.3	2.2	2.8	9.1	26.8	46.8	57.2	46.8	48.4	78.2	Kolkhozes
0.1	0.1	3.5	10.6	46.0	213.0	195.4	282.3	352.0	741.5	483.1	State committee on industry
0.2	0.3	3.2	4.8	7.5	29.1	38.3	175.6	45.3	77.3	143.4	Ministry of Culture
...	0.7	1.7	2.2	4.3	16.3	17.9	23.6	42.9	62.6	67.4	industrial association "Tajikavto-motoservis"
0.1	0.6	5.2	11.3	43.4	145.3	386.0	660.1	617.5	947.4	99.82	Ministry of Justice
...	0.5	1.1	1.9	4.3	15.0	24.7	38.6	53.7	81.0	129.3	Joint stock industrial commercial company "Pamirlada"
0.1	0.2	1.1	3.9	5.3	27.4	58.3	65.0	42.1	102.2	272.2	Ministry of Health
0.1	0.3	1.6	4.6	6.0	32.9	42.3	81.7	98.0	120.6	184.2	Defense Assistance Society
0.0	0.03	0.1	0.4	0.5	1.9	2.9	3.5	4.5	4.6	5.9	Motorist union
0.1	0.1	1.4	3.9	6.2	4.0	8.2	19.5	25.6	33.6	90.8	Concern "Tajikselstroj"
0.0	0.1	0.8	4.8	10.4	63.7	115.4	243.0	391.5	310.0	394.0	Tajikmatlubot
0.0	0.1	0.5	2.2	3.6	5.4	10.0	8.5	9.5	22.6	30.6	"Tajikstroj"
0.0	0.1	0.9	1.5	5.8	16.2	24.8	28.9	37.4	44.3	68.1	Ministry of water industry

<sup>17</sup> On accountable range.



1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	
...	0.2	1.3	2.0	2.8	7.6	16.5	27.8	32.1	37.1	46.3	Joint stock company "Kafolat"
0.4	0.8	4.8	19.3	75.6	206.4	548.6	1,155.8	2,317.4	4,748.2	5,580.8	"Barqi Tojik" Holding Company
0.0	4.0	55.5	111.8	674.5	2,532.6	6,631.1	9,244.6	8,944.7	15,573.1	51,772.0	Tajikistan airlines company
0.0	0.6	19.6	124.9	455.9	1,022.9	1,349.8	2,472.7	2,290.3	6,150.5	8,806.6	Tajik railway
1.9	2.4	20.0	120.3	111.1	446.2	771.4	2,833.9	5,276.5	7,922.8	16,587.5	Other

Providing Paid Services To Population By Regions  
(In prices of corresponding years)

in thousand of Somoni- on accountable range

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	
											Republic of Tajikistan
7.2	27.0	279.9	769.7	2,584.8	8,941.4	15,937.1	26,579.0	31,069.1	52,789.6	126,944.3	Paid services
3.2	8.2	69.3	135.6	228.2	447.2	565.1	817.2	797.9	1,092.6	1,524.4	Including personal
											Gorno-Badakhshan Autonomous Oblast
0.1	0.3	2.1	5.1	17.1	76.0	145.0	248.7	306.3	541.1	968.7	Paid services
0.0	0.1	0.9	2.0	2.5	8.0	11.1	35.1	21.4	24.8	23.9	Including personal
											Sughd Oblast
2.6	10.5	119.9	319.4	912.9	2,504.6	4,764.1	8,076.0	8,869.6	15,971.7	44,154.0	Paid services
1.3	3.9	33.6	71.8	121.4	236.6	319.8	386.2	360.8	590.0	846.3	Including personal
											Khatlon Oblast.
1.3	2.4	28.5	67.6	221.0	457.8	773.0	1,341.9	1,694.5	2,627.1	4,701.7	Paid services
0.6	0.8	12.1	23.2	33.1	74.3	64.1	76.3	85.6	157.2	172.0	Including personal
											Dushanbe
2.2	11.1	113.4	338.2	1,326.5	5,623.8	9,825.8	16,095.4	19,158.2	30,987.1	73,917.9	Paid services
0.8	2.2	15.6	22.2	53.2	98.0	145.2	279.0	272.3	266.7	436.5	Including personal
											Districts of Central Subordination
1.0	2.6	16.1	39.6	107.3	279.2	429.2	817.0	1,039.8	2,662.3	3,202.0	Paid services
0.5	1.1	7.1	16.3	18.0	30.3	24.9	40.6	58.9	53.9	45.7	Including personal

## 5. Information on financial movements related to nationals working abroad

Money transfers of citizens who work abroad are received in accounts in "Agroinvestbank," "Amonatbank," "Orienbank." Bank card system is used and banks charge 1-3 per cent of the amount transferred for this service.

Residents and non-residents have the right to bring to the country foreign currency without any restrictions observing customs rules. Residents working abroad can transfer foreign currency to the Republic of Tajikistan without opening an account.

The same order is used for money transfers from the Republic of Tajikistan and is observed by the non-residents. Besides, in accordance with requirements of Article XXX of the Agreement with the IMF, citizens can transfer funds equal to US\$2,000 in daily operations ("The order of the transfer of foreign currency from the Republic of Tajikistan and to the Republic of Tajikistan without opening current foreign currency accounts" approved by the NBT on 19 October 1999, Protocol No. 19)

## 6. Information on growth in trade in goods and services over recent years and forecasts for years to come

Value of retail trade turnover in 2001 was 777.7 million Somoni, including 734.4 million Somoni of trade in open market bazaars, etc..

In 2001 the retail trade turnover increased in comparison with 2000 by 1.6 per cent.

Sources of retail trade formation through all sales channels are provided in the table below:

	Mln. Somoni	Share (%)	Level as % of previous year
Total value of retail trade through all channels of sales	777.7	100	101.6
From this:			
- Public Sector	18.5	2	94.4
- Private Sector	759.2	98	101.8
- Cooperative trade ("Tojikmatlubot")	12.6	2	94.9
- Open market (Bazaar, etc.)	734.4	96	101.2

The share of private sector in total volume of retail trade is 98 per cent.

In retail trade structure 57.5 per cent were food products and 42.5 per cent non-food products.

In 2001 total of paid services provided to population through all sales channels was equal to 365.1 million Somoni, which is 19.9 per cent more than in 2000.

20.8 million ton of cargo and 158.1 million passengers were transported by the all kind of transport in 2001.

- ForecastForeign trade turnover of export-import operations of the Republic of Tajikistan for the period of up to 2015

US\$ Million

Indicators	2000	2001	2002	2003	2004	2005	2010	2015	Growth rate in %			
									2005 to 2000	2010 to 2005	2015 to 2010	2015 to 2000
Foreign trade turnover	1,459.4	1,339.1	1,454.0	1,549.2	1,743.5	1,790.7	1,970.0	2,250.0	122.7	110.0	114.2	154.2
Exports	784.3	651.6	736.1	781.3	1,012.3	1,054.8	1,250.0	1,400.0	134.5	118.5	112.0	178.5
Imports	675.1	687.5	717.9	767.9	731.2	735.9	720.0	750.0	109.0	97.8	104.2	111.1
Foreign exchange earnings	452.0	325.2	377.5	428.0	582.2	554.7	730.5	831.0	122.7	131.7	113.8	183.8
From exports of goods	406.7	259.0	308.3	355.3	506.2	474.7	637.5	726.0	116.7	134.3	113.9	178.5
From services provided	45.3	66.2	69.2	72.7	76.0	80.0	93.0	105.0	176.6	116.3	112.9	2.3p

Exports and imports of the main types of production of the Republic of Tajikistan for the period of up to 2015

Commodity group	Unit	2000 report	2001 report	2002 estimate	2003	2004	2005	2010	2015	Growth rate in %			
										2005 to 2000	2010 to 2005	2015 to 2010	2015 to 2000
1	2	3	4	5	6	7	8	9	10	11	12	13	14
EXPORTS													
Cotton-fibre	Th. tons	78.8	67.8	120.3	130.6	162.0	178.0	180.0	190.0	2.3	101.1	105.5	2.4 times
	Mln. US\$	91.8	62.1	96.2	127.3	178.8	198.7	212.4	224.2	2.2	106.9	105.5	2.4 times
Primary Aluminum	Th. tons	273.5	285.7	302.0	317.0	325.3	335.1	369.	389.8	122.5	110.2	105.5	142.5
	Mln. US\$	433.6	396.5	404.4	425.0	522.1	537.8	586.2	623.7	124.0	109.0	106.4	143.8
Hides	Th. tons	4.2	2.3	3.7	4.7	5.6	5.9	6.3	6.9	140.5	106.8	109.5	164.3
	Mln. US\$	0.8	0.4	0.7	0.9	0.99	1.05	1.1	1.2	131.3	104.8	109.1	1.5 times
Tobacco and tobacco products	Th. tons	7.8	3.1	5.8	6.4	9.0	9.2	9.5	10.2	117.9	103.3	107.4	130.8
	Mln. US\$	5.8	2.0	3.7	4.1	7.2	7.3	7.5	8.1	125.9	102.7	108.0	139.7
Total of fruits and vegetables and tinned goods	Th. tons	121.3	133.3	142.5	157.5	153.4	165.6	223.6	260.6	136.5	135.0	116.5	2.1 times
	Mln. US\$	23.4	22.2	23.5	26.0	26.6	28.9	38.2	46.4	123.5	132.2	121.5	2.0 times
including: fruits and vegetables	Th. tons	100.9	106.0	112.9	127.1	121.4	129.2	169.0	178.7	128.0	130.8	105.7	177.1
	Mln. US\$	17.7	15.7	16.4	18.4	18.6	19.8	24.5	25.9	111.9	123.7	105.7	146.3

Commodity group	Unit	2000 report	2001 report	2002 estimate	2003	2004	2005	2010	2015	Growth rate in %			
										2005 to 2000	2010 to 2005	2015 to 2010	2015 to 2000
Tinned goods	Th. tons Mln. US\$	20.4	27.3	29.6	30.4	32.0	36.4	54.6	81.9	178.4	1.5 times	1.5 times	4.0 times
		5.7	6.5	7.1	7.6	8.0	9.1	13.7	20.5	159.6	1.5 times	149.6	3.6 times
Electric power	kwt/h	3,908.7	4,047.0	2,786.0	2,500.0	4,200.0	4,270.0	4,215.0	8,359.0	109.2	98.7	198.3	2.1 times
	Mln. US\$	86.7	78.5	55.7	50.0	84.0	85.4	84.3	167.2	98.5	98.7	198.3	1.9 times
IMPORTS													
Wheat	Th. tons Mln. US\$	321.3	246.0	230.0	200.0	356.9	353.2	320.0	300.0	109.9	90.6	93.7	93.3
		36.2	30.3	25.3	21.0	38.9	38.5	32.0	29.4	106.4	83.1	91.9	81.2
Flour	Th. tons Mln. US\$	55.4	54.5	49.9	45.1	85.9	85.2	73.0	77.1	153.8	85.7	105.6	139.2
		8.3	7.5	5.9	5.0	12.8	12.7	8.0	7.9	153.0	63.0	98.8	95.2
Oil products	Th. tons Mln. US\$	202.2	293.5	343.2	402.6	363.1	365.3	370.0	375.0	180.7	101.3	101.4	185.5
		44.1	78.3	80.3	92.6	63.5	63.9	78.3	79.1	144.9	122.5	101.0	179.4
Chemical fertilizers	Th. tons Mln. US\$	86.9	103.1	120.2	129.2	95.4	97.2	169.3	177.8	111.8	174.2	105.0	2.0 times
		10.1	12.4	14.7	15.5	10.8	11.0	18.6	19.6	108.9	169.1	105.4	1.9 times
Electric power	Kwt/h	5,242.4	5,396.4	4,178.0	4,000.0	5,710.0	5,900.0	4,305.0	8,415.0	112.5	73.0	195.5	1.6 times
	Mln. US\$	118.2	98.3	83.6	80.0	108.5	112.1	86.1	168.3	94.8	76.8	195.5	1.4 times
Natural gas	Mln. m <sup>3</sup>	726.3	565.0	607.0	650.0	820.0	825.0	645.8	930.0	113.6	78.3	144.0	128.0
	Mln. US\$	35.2	26.7	29.1	33.5	39.6	40.0	30.4	43.7	113.6	76.0	143.8	124.1

### **III. FRAMEWORK FOR MAKING AND ENFORCING POLICIES AFFECTING FOREIGN TRADE IN GOODS AND TRADE IN SERVICES**

#### **1. Powers of executive, legislative and judicial branches of government**

In Accordance with the Constitution of the Republic of Tajikistan the state power is based on the principle of its division into legislative, executive and judiciary.

- President

The President of Tajikistan is the Head of the State and the executive power—the Government (Article 64 of the Constitution). The President is a guarantor of the Constitution and laws, rights and liberties of the people and citizens, national independence, unity and territorial integrity, succession and longevity of the state, coordinated functioning and interaction of the state bodies, observance of international agreements of Tajikistan.

Citizens of Tajikistan elect the President based on universal equal and direct suffrage by secret ballot for the term of office of seven years. Every citizen at the age of 35-65 years old speaking the state language and living on the territory of Tajikistan not less than the ten last years can be nominated as a candidate to the position of the President of the country.

The Constitution provides the President with wide authority. He determines the principal directions of the internal and external policies, represents Tajikistan in the country and abroad, establishes and abolishes bodies of executive power, appoints and dismisses officials including members of the Government, heads of administrative structures, heads of local authorities, and all judges. Appointment and dismissal of some officials by the President is carried out upon approval of the Majlisi Oli (Parliament) (Article 69 of the Constitution and Article 7 of the Constitutional law of the Republic of Tajikistan "On the Government"). In the framework of his/her authority, based on and in pursuance of the Constitution, constitutional laws of the Republic of Tajikistan, the President issues Decrees and instructions and has the right to cancel or suspend implementation of acts issued by government authorities in case of their contradiction with the Constitution of the Republic of Tajikistan.

The President forms and heads the executive office, provides coordination between all branches of authority in the country, forms and dismisses Ministries, State Committees and other administrative bodies of the Republic of Tajikistan.

While in the office, the President cannot hold any other post, be a deputy of representative bodies or be engaged in any business.

The authority of the President can be suspended upon his/her announcement of his/her resignation, at the joint meeting of the Majlisi Namoyandagon (Lower chamber of the Parliament) and the Majlisi Milli (Upper chamber of the Parliament) if the majority of members of the Parliament will vote for this.

In case of inability of the President to discharge his/her duties due to sickness, based on the certificate of the special state medical commission both chambers of the Parliament may come to a conclusion about pre-term dismissal of the President by not less than two thirds of votes of the total number of members of Parliament.

The President loses the privilege of immunity in the event of committing high treason on the grounds of conclusions of the Constitutional court confirmed by two thirds of votes of the total number of members of the Parliament.

- The Government

The Government is the body of executive authority of the Republic of Tajikistan, and provides effective guidance for the functioning of the economy, social life and culture, observance of laws, decisions of the Majlisi Oli (Parliament), Decrees and instructions of the President of Tajikistan, heads the system of state administration, provides its functioning and coordinated cooperation. At the same time, it can overrule any act issued by any government body contradicting legislation.

The Government of the country consists of the Prime minister, his/her first deputy minister and deputy ministers, ministers, chairpersons of state committees.

The Government acts in the framework of the term of the office of the President of the Republic of Tajikistan and resigns before a newly elected President who has the right to make anytime a decision about early abdication of the Government of the Republic of Tajikistan in full or relieve members of the Government of a position following approval of the Majlisi Oli (Parliament).

In case of declaration by the Government about its inability to normally function, it can notify the President about its request to resign.

Each member of the Government has a right to resign. The order of organization, activity and authorities of the Government are defined by constitutional law.

- Legislative powers

In accordance with the Constitution of the Republic of Tajikistan the Majlisi Oli (Parliament) is the highest representative and legislative body of the Republic of Tajikistan. The Majlisi Oli consists of two chambers – the Majlisi Milli (Upper chamber) and the Majlisi Namoyandagon (Lower chamber). The term of office of the Majlis Oli is five years. The authority of the Majlisi Milli and the Majlisi Namoyandagon stops at the day of the beginning of the activity of the Majlisi Oli of the new election.

The organization and activity of the Majlisi Oli are defined by constitutional Law No. 1 "On the Majlisi Oli of the Republic of Tajikistan" of 19 April 2000. The Majlisi Milli (Upper Chamber) consists of 33 members, out of which 25 members (three fourth) are elected through indirect secret ballot on the joint meetings of people's deputies of Oblasts, cities and districts of the country, and the rest 8 members (one fourth) are appointed by the President of the Republic of Tajikistan. A person not younger than 35 years with higher education can be elected and appointed as a deputy of the Majlisi Milli.

Each former President of the Republic of Tajikistan is a member of the Majlisi Milli for life if he does not abstain from using this right.

The Majlisi Namoyandagon (Lower Chamber) is acting on a permanent and professional basis and consists of 63 deputies. A deputy of the Majlisi Namoyandagon can be elected a person not younger than 25 years based on universal, equal and direct suffrage through secret ballot.

The Majlisi Namoyandagon has the following authority:

- to approve social-economic programmes by proposal of the Government of the Republic of Tajikistan;
- to ratify and denounce international agreement;
- to set a referendum;
- to establish courts; and
- to approve the state symbols and awards, etc..

Members of the Majlisi Milli and deputies of the Majlisi Namoyandagon have the right to immunity, they cannot be arrested, detained, be subject to forcible arrest and search except for detention on the crime scene. A member of the Majlisi Milli and deputies of the Majlisi Namoyandagon cannot be subject to personal search except for the cases foreseen by the law to provide security of other people. The issue of deprivation of the immunity of a member of the Majlisi Milli and deputies of the Majlisi Namoyandagon is decided only after proposal of the General prosecutor to the corresponding Majlises.

Legal status of a member of the Majlisi Milli and a deputy of the Majlisi Namoyandagon is defined by the constitutional law No. 43 "On the legal status of the Majlisi Milli member and the Majlisi Namoyandagon deputy of the Majlisi Oli of the Republic of Tajikistan" of August 6, 2001.

The legislative activity of the Majlisi Oli of the Republic of Tajikistan can be expressed in the following: the right of the legislative initiative is given to members of the Majlisi Milli, deputies of the Majlisi Namoyandagon, the President of the Republic of Tajikistan, the Government of Tajikistan, the Majlis of people's deputies of Gorno-Badakhshan Autonomous Oblast; in some other issues—to the Constitutional Court, the Supreme Court, and the High Economic Court. First, all submitted bills are examined in relevant Committees, Commissions, and later in the Majlisi Namoyandagon, where they could be approved or rejected. The laws passed by the Majlisi Namoyandagon and approved by the Majlisi Milli are sent to the President of the Republic of Tajikistan for signing and publication in a one week term after approval.

- Judicial powers

The judicial power in the Republic of Tajikistan is the core institute of authority providing the legal order. The judicial power in the country belongs only to courts.

For the first time the 1994 Constitution of the Republic of Tajikistan secured the principle of "division of power into legislative, executive and judicial" and thus the judicial power was recognized as an independent branch of power on the constitutional level. This fact means that Tajikistan by declaring the formation of a sovereign, democratic, legal, and secular state pays a lot of attention to strengthening of judicial power, protection of personal rights and liberties, interests of the state, organizations and institutions, legality and justice.

The judicial power is exercised by the system of courts, which according to the Constitution of the Republic of Tajikistan includes the Constitutional Court, the Supreme Court, High Economic Court, Court of Military Justice, Court of Gorno-Badakhshan Autonomous Oblast, oblast, city of Dushanbe, town and district courts and also the Economic Court of Gorno-Badakhshan Autonomous Oblast, oblast economic courts, economic court of Dushanbe city (Article 84 of the Constitution of the Republic of Tajikistan).

The constitutional law defines the organization and the order of activity of courts. All judges in the Republic of Tajikistan have a single status and differ only by authority and jurisdiction. Term of office for judges is five years. It is prohibited to create extraordinary courts. Legal proceedings are conducted on the state language or on the language of majority of population living in the area. Persons, who do not speak the language, which is used for the proceedings, are provided with interpreter.

The Constitutional Court is a body of judicial power the authority of which includes the following:

- To determine conformity with the Constitution of legal acts of all structures of state power and public bodies, as well as agreements of Tajikistan before entering into force;
- To settle disputes between state bodies related to their competence; and



- To discharge other authorities, defined by the Constitution and laws.

Decisions of the Constitutional Court are final.

The Supreme Court is the highest judicial body and carries out judicial review of the activity of the subordinate courts on civil, criminal, administrative and other cases related to these courts.

The High Economic Court is the highest judicial body on economic disputes settlement and other cases under consideration of economic courts. The Court carries out judicial review of the activity of the courts below.

In order to develop proposals on judicial reform, selection and nomination of candidates for the judges' positions, dismissal of judges by the Decree of the President of the Republic of Tajikistan the collective body—the Justice Council of the Republic of Tajikistan was established. With respect to courts of the country except for the Constitutional Court, the High Economic Court, the Supreme Court of the Republic of Tajikistan, the Justice Council considers and nominates to the President of the Republic of Tajikistan candidates for appointment and dismissal, proposals on judicial system, number of judges and court employees, and approves instructions on office proceedings in courts.

There are officers of the court for judicial enforcement under courts except for the Constitutional Court of the Republic of Tajikistan, the Supreme Court of the Republic of Tajikistan, the court of Gorno-Badakhshan Autonomous Oblast, oblasts courts, and the court of Dushanbe city. There are also bailiffs at all courts of the Republic of Tajikistan, whose responsibilities include delivery of notification and subpoenas to participants of court proceedings, witnesses, debtors and others; control for the order at the court session, etc.

## **2. Government entities responsible for making and implementing policies affecting foreign trade**

The President of the Republic of Tajikistan determines the principal guidelines of the foreign policy as well as foreign trade policy, which are implemented by the Government of the Republic of Tajikistan through ministries and agencies under the Government.

The Ministry of Economy and Trade of the Republic of Tajikistan, the Ministry of State Revenues and Duties of the Republic of Tajikistan, the National Bank of the Republic of Tajikistan and commercial banks of the country are responsible for elaboration and implementation of policy influencing foreign trade.

The leading role in the development and implementation of the single state economic policy including foreign trade policy belongs to the Ministry of Economy and Trade of the Republic of Tajikistan.

## **3. Division of authority between central and sub-central governments**

In accordance with the system of territorial administration, the territory of the Republic of Tajikistan is divided into oblasts, which in turn are divided into districts, cities, settlements and villages. There are three oblasts, and correspondingly three regional state administrations (Khukumats):

- Gorno-Badakhshan Autonomous Oblast, separated from the central Government due to its geographic situation. It consists of seven districts. The Oblast is constituent and inseparable part of the Republic of Tajikistan. The legal status of the Oblast is defined by the Constitution of the Republic of Tajikistan and the constitutional law of the Republic

of Tajikistan No. 108 "On the Gorno-Badakhshan Autonomous Oblast" of 4 November 1995.

- Sughd Oblast, located in the North and consists of thirteen districts with administrative center in the city of Khujand;
- Khatlon Oblast, located in the South and consists of twenty one districts with administrative center in the city of Qurghonteppa.

In accordance with the Constitution of the Republic of Tajikistan (Article 76), local administration consists of representative and executive bodies, which act within their own authority. They provide enforcement of the Constitution, laws and acts of the Majlisi Oli and the President of the Republic of Tajikistan.

The Majlis of people's deputies headed by the chairperson is an institution of local representative power in oblasts, cities and districts. The deputies of the local Majlis are elected for the term of five years.

The Chairperson heads the representative and executive power of corresponding administrative-territorial units. At the same time he/she is a representative of the President of the Republic of Tajikistan and is responsible before higher executive body and corresponding Majlis of people's deputies.

The President of the country appoints and relieves chairpersons of the Gorno-Badakhshan Autonomous Oblast, regions, city of Dushanbe, cities and districts presenting their candidacies for approval by the corresponding Majlises of people's deputies.

Khukumat is an executive body of the Majlis of the people's deputies of the administrative-territorial unit. Responsibilities of the local administration include the following: elaboration and implementation of development strategy, approval of the local budget, allocation rates to the local budget, and taking measures on levelling of social-economic conditions in different territories, etc. The Jamoats are the representative bodies in settlements and villages. These bodies are elected on general meetings of local population for a certain term. The meeting of representatives is a main form of local self-governance. In coordination with a corresponding Majlis of people's deputies or the Chairperson of the city or district, the Chairperson of the Jamoat convenes the Jamoat in case of necessity but not less than twice a year.

#### **4. Any legislative programmes or plans to change the regulatory regime**

Recently, the following documents were passed by the Majlisi Oli:

- Law on Advertisement; and
- Document on the poverty reduction strategy which anticipates economic reforms.

The following laws are currently under consideration of the Majlisi Oli:

- Law on protection of consumer rights (in new edition);
- Law on state registration of legal persons; and
- Law on leasing and a number of laws related to changes and amendments to the Taxation Code of the Republic of Tajikistan.

The following laws are under development by the Government of the republic of Tajikistan:

- Law on economic forecast;
- Law on state-owned enterprises;
- Law on corporations (in new edition); and

- Law on licensing.

## **5. Laws and Legal Acts**

See Annex II for a list of laws and other legal-regulatory acts regulating economic activity and foreign trade in goods and services

## **6. Description of judicial, arbitral or administrative tribunals or procedures**

### **- Judicial procedures**

The economic courts carry out the settlement of economic disputes evolved from civil, administrative and other legal relationship.

Any person concerned has the right to seek protection of violated or disputed rights and legal interests. Foreign physical and legal persons have procedural rights and discharge their procedural responsibilities equally with physical and legal persons of the Republic of Tajikistan. In order to protect violated or disputed rights the claim should be handed in to the economic court. The following documents should be attached to the claim:

- About payment of state duty in required order and amount;
- Sending copies of the claim and all attached documents;
- Observance of pre-court order of dispute settlement with defendant if it is foreseen by the law of the Republic of Tajikistan for this category of disputes;
- Circumstances which are a basis for plaintiff's claim; and
- Power of attorney confirming authority for filing of a claim if the claim is signed by the plaintiff's representative.

According to the rules of the Article 25 of Economic-procedural Code, a claim can be handed in either according to the whereabouts of defendant or location of disputed property. This Code sets a jurisdiction of an economic court in cases with participation of foreign persons: economic courts consider cases with participation of foreign persons if both the defendant and the complainant citizen live in the territory of the Republic of Tajikistan. Legal proceedings in economic courts are carried out based on the principle of equality of parties, in the state language or in a language spoken by majority of population. The cases are considered in the economic courts both individually and collectively depending on the case. Thus economic disputes in the economic courts of first instance are considered individually, except for cases on recognition of acts of local state bodies as invalid and bankruptcy cases, which are considered collectively. The period of consideration of cases in economic courts should not exceed two months since the receipt of the claim.

In case of disagreement with a decision of an economic court of first instance, the person concerned can appeal against the court's decision if it did not come into force. The appeal can be lodged within a month after a decision. The appeal is considered in one month period since its receipt.

Persons concerned have a right to lodge a cassation against the economic court decision of first instance, which has come into force, and a resolution of the Appeal instance. The High Economic Court examines as a cassation instance legality of decisions made by first and appeal instances of economic courts.

Decisions and resolutions of all economic courts, which have entered into force, can be reconsidered by the Plenum of the High Economic Court as a consequence of objection raised by the Chairperson of the High Economic Court or the General Prosecutor against such decision and resolution.

The current legislation of the Republic of Tajikistan is used in consideration of cases in economic courts. In some cases, economic courts can also use foreign legislation (Article 12 of Economic-procedural Code).

- Arbitral procedures

Foreign investors have a right to settle disputes through a court of arbitration if there was a written agreement reached between disputing parties about handing the dispute over to a court of arbitration. This agreement can be concluded via a separate reservation or as an agreement (Article 3 of the Regulation on court of arbitration for economic dispute settlement in the Republic of Tajikistan).

The court of arbitration is created by the parties and consists of three judges. At the same time, each party appoints one judge, and then two appointed judges appoint the third judge.

For initiation of proceedings in the court of arbitration a plaintiff submits his/her claim in time agreed by parties or determined by the court of arbitration and attaches the agreement of parties on handing the dispute over to a court of arbitration and plaintiff's demand.

Proceedings in the court of arbitration are carried out in the language best understood by parties. Decisions of the court of arbitration are implemented voluntarily in the order and time set in the decision. In case of failure to observe the decisions of the court of arbitration by a defendant, the High Economic Court issues a receiving order that is mandatory for implementation and provision of compulsory enforcement (Article 25 of the Regulation).

- Administrative procedures

Administrative procedures are regulated in accordance with principles of the Code of the Republic of Tajikistan on administrative law violations of 5 December 1985 entered into force on 1 July 1996

#### **IV. POLICIES AFFECTING TRADE IN GOODS**

##### **1. Import Regulation**

###### **(a) Registration requirements for engaging in importing**

In order to participate in import operations the legislation of Tajikistan anticipates registration requirements. Thus, Article 5 of the law of the Republic of Tajikistan "On foreign economic activity of the Republic of Tajikistan" quotes: "Subjects of foreign trade activity in the Republic of Tajikistan regardless of the form of ownership can be legal and physical persons including international organizations operating on the territory of the country or abroad after required registration in the Republic of Tajikistan."

The Government of Tajikistan specifies the registration of the subjects of foreign economic activity. Currently the customs authorities require participants of foreign economic activity to have a Certificate of participant in foreign economic activity and a registration card which are issued for a certain period of time by the Ministry of economy and trade in accordance with Decree No. 316 of 11 July 1994 of the Council of Ministers of the Republic of Tajikistan "On approval of the Regulation on the registration order of the subjects of foreign economic activity of the Republic of Tajikistan."

Besides, in accordance with the Article 31 of the Tax Code of the Republic of Tajikistan the participants of foreign economic activity must have Identification Taxpayer Numbers (ITN) with the

aim of tax collection. The order of granting of the ITN is set up by the Ministry of State Revenues and Taxes of the Republic of Tajikistan.

**(b) Characteristics of national tariff**

The customs tariff of the Republic of Tajikistan is based on the law of the Republic of Tajikistan "On the customs tariff." This law specifies the forming and application of the customs tariff of the Republic of Tajikistan—the instrument of the trade policy and state regulation of the domestic commodities market of the Republic of Tajikistan during its interconnection with the world market and also rules of imposing duties on goods when crossing the customs border of the Republic of Tajikistan.

Principal goals of the customs tariff:

- Rationalization of the commodities structure of import;
- Maintaining a rational ratio of export and import of commodities and foreign exchange revenues and expenditures on the territory of the Republic of Tajikistan;
- Creation of conditions for progressive changes in the structure of production and consumption of commodities in the Republic of Tajikistan;
- Protection of the economy of the Republic of Tajikistan from exaggerated influence of foreign competition; and
- Providing conditions for the effective integration of the Republic of Tajikistan into the world economy.

The customs tariff of the Republic of Tajikistan is a code of rates of customs duties (customs tariff), applied to commodities moving across the customs border of the Republic of Tajikistan and systematised in accordance with the commodity classification of the foreign economic activity (CCFEA CIS).

CCFEA CIS is applied in the Republic of Tajikistan and is based on internationally accepted principles for the commodity classification. CCFEA CIS complies with and is based on the WTO harmonized system of description and coding of commodities (International Convention on harmonized system of description and coding of commodities/Brussels, 14 June 1983, and also the Protocol on amendment to the International Convention on harmonized system of description and coding of commodities/Brussels, 24 June 1986). It will also take into account HS 2002.

The customs tariff is applied to commodity import and export. Currently the customs tariff is only applied to the commodity import to the customs territory of the Republic of Tajikistan. No customs duty is imposed on commodity export.

- Customs duty rates and the order of duty-setting

Customs duty rates are unified and not subject to changes depending on persons moving goods across the customs border of the Republic of Tajikistan, types of deals and other factors except for cases specified by the legislation of the Republic of Tajikistan.

The Government of Tajikistan determines the rates of import customs duties. Maximum rates of import customs duties applied to commodities originating from the countries to which, in trade relations, Tajikistan uses the regime of most favoured nation (MFN), are determined by the Majlisi Oli (Parliament) of the Republic of Tajikistan.

As for the commodities originating from countries with which trade and political relations do not anticipate the MFN regime, or commodities the country of origin of which is not identified, the

rates of import customs duties are twice as high except for cases of granting by the Republic of Tajikistan of tariff benefits (preferences).

The rates of export customs duties and the listing of goods to which these rates apply and also non-tariff measures in foreign economic regulation are set up by the Government of the Republic of Tajikistan. At the same time, these rates and measures are exceptional measures of active regulation of foreign economic activity on the territory of the Republic of Tajikistan, and they are not actually applied.

- Types of duty rates

In the Republic of Tajikistan the following types of duty rates are used:

- *Ad valorem* - imposed in per cent of the customs value of commodities;
- Specific - imposed in fixed amount per commodity unit; and
- Combined - combines both duties mentioned above.

- Seasonal duties

The seasonal and special duties intended for effective regulation of import and export are used in cases determined by legal-regulatory acts of the Republic of Tajikistan. At the same time, in cases of application of seasonal duties the rates of customs duties envisaged by current customs tariff are not used. Term of validity of the seasonal duties cannot exceed six months a year. Currently, in the foreign trade of the Republic of Tajikistan seasonal duties are not used.

- Special types of duties

In order to protect economic interests of the Republic of Tajikistan temporarily special types of duties may be imposed on imported goods:

- Special duties;
- Antidumping duties;
- Countervailing duties.

- Special customs duties (safeguard duties)

Special customs duties are applied in the following cases:

- As a protective measure, if commodities are imported in quantities and on the conditions which cause or threaten damage to domestic producers of similar or directly competing commodities;
- As a reciprocal measure to discrimination or other actions infringing upon interests of the Republic of Tajikistan by other countries or their unions.

- Antidumping duties

Antidumping duties are applied in the following cases:

- Import of commodities at prices lower than their normal cost in the exporting country at the moment of import; and
- If this import causes or threatens damage to domestic producers of similar commodities or hampers the organization or expansion of production of similar commodities in the Republic of Tajikistan.

- Countervailing duties

These duties are applied in the following cases:

- Import of commodities during production or export of which direct or indirect subsidies were granted and if this import causes or threatens damage to domestic producers of similar commodities or hampers the organization or expansion of production of similar commodities in the Republic of Tajikistan.

- Tariff benefits (preferences)

Tariff benefits (preferences) on commodities are established by the Law of the Republic of Tajikistan "On customs tariff" and cannot have individual character. They are granted exclusively by the decision of the Government of Tajikistan. In this case, the tariff benefit (preference) is a benefit on commodity moving across the customs border of the Republic of Tajikistan in the form of return of previously paid duty, exemption from duty, lowering of the duty rate, establishing tariff quotas on preferential commodities import-export.

- Granting of tariff preferences

In trade-political relations of the Republic of Tajikistan with foreign countries the preferences in the customs tariff are granted in the form of exemption from duty, lowering of the duty rates or establishment of tariff quotas on commodities when imported or exported:

- originating in the states which form a free trade zone or a customs union, or have signed agreements on creation of such zone or union with the Republic of Tajikistan. Currently the Republic of Tajikistan is a member of the Customs Union reorganized into the Euro Asian economic community (EurAsEC);
- originating in developing countries using the national system of preferences of the Republic of Tajikistan which is periodically revised but at least once in five years by the Government of Tajikistan. According to the current customs tariff of the Republic of Tajikistan approved by the decree No. 187 of 30 April 2002 of the Government of Tajikistan "On customs tariff of the Republic of Tajikistan," the tariff preference (zero rate) is granted to the least developed countries.

The Current customs tariff of the Republic of Tajikistan was set by the Decree of the Government of the Republic of Tajikistan No. 187 "On the Customs tariff of the Republic of Tajikistan" of 30 April 2002 and has the unified rate of five per cent (except for goods mentioned below) and is not classified in accordance with CCFEA CIS, i.e. does not have commodity groups, sub-groups, commodity positions and sub positions.

No.	Items	Customs duty rate
1	Aluminum Oxide other than artificial corundum	2
2	Energy power	0
3	Cyanides, Oxycyanides, complex cyanides	0
4	Bickford's fuses, cords, demilitation cords, capsules, blasting caps, igniter, electric detonators	0
5	Activated carbon	0
6	Crunching balls and similar items for mills	0
7	Parts of boring machines or borers, sub-positions 843041 or 843049	0
8	Parts of foundry iron or cast steel	0

9	Machinery and special mechanical equipment for mixing, ragging, grinding, screening, bolting, homogenisation, emulsification or stirring	0
10	Spare parts and components for TV set production <sup>18</sup>	0

It is necessary to mention, that the unification of the import tariff is a temporary measure with the purpose of simplification of the customs valuation of goods mechanism and collection of import duties.

**(c) Tariff quotas, tariff exemptions**

As it was mentioned above, the tariff legislation of the Republic of Tajikistan anticipates instruments like tariff exemptions and tariff quotas. However, these instruments were never used in the practice in the customs activity and regulation of foreign trade.

**(d) Other duties and charges**

The Customs bodies also collect customs charges for rendering customs services, which are fixed at the amount of 0.15 per cent of customs value of the commodity in accordance with the Article 114 of the Customs Code of the Republic of Tajikistan.

Other dues for customs services are collected in accordance with the Article 110 of the Customs Code of the Republic of Tajikistan:

- charges for issuing licence and its renewal by the customs bodies;
- charges for issuing the certificate of competence of the specialist on customs legalization and its renewal;
- customs charges for storing of goods;
- customs charges for customs convoy of goods;
- payment for informing and consulting;
- payment for preliminary decision-making; and
- payment for participation in customs auctions.

The following rates of charges foreseen by the Customs Code of the Republic of Tajikistan are fixed:

For the issue of a licence to establish a customs warehouse:

- in the amount equal to 1,000 times of the size of minimal monthly salary<sup>19</sup> set up by the law in the case of total area of the warehouse of 1,000 m<sup>2</sup> inclusive;
- in the amount equal to 1,500 times of the size of minimal monthly salary set up by the law in the case of total area of the warehouse from 1,000 m<sup>2</sup> up to 2,000 m<sup>2</sup> inclusive;
- in the amount equal to 2,000 times of the size of minimal monthly salary set up by the law in the case of total area of the warehouse of more than 2,000 m<sup>2</sup>; and

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<sup>18</sup> Comment: List of spare parts and components for TV set production is determined by the Ministry of Industry of the republic of Tajikistan in coordination with the Ministry of Finance of the Republic of Tajikistan and the Ministry of State Revenues and Duties of the Republic of Tajikistan.

<sup>19</sup> Minimal monthly salary – According to the Decree No. 717 of the President of the Republic of Tajikistan "On increasing the minimal monthly salary, current official salaries of employees of budget organizations and institutions and on measures on strengthening social protection of the most vulnerable groups of population" of 26 November 2001 the minimal monthly salary was set up at 4 Somoni (approximately US\$1.40) in all economy branches effective 1 January 2002.



- for the issue of a licence to establish a duty free shop - in the amount equal to 5,000 times of the size of minimal monthly salary set up by the law.

For the issue of a licence to establish a free warehouse:

- in the amount equal to 2,000 times of the size of minimal monthly salary set up by the law in the case of total area of the warehouse of up to 1,000 m<sup>2</sup> inclusive;
- in the amount equal to 3,000 times of the size of minimal monthly salary set up by the law in the case of total area of the warehouse of more than 1,000 m<sup>2</sup>;
- for inclusion of a bank or other credit institution in the register foreseen by the Article 122 of the Customs Code of the Republic of Tajikistan - in the amount equal to 500 times of the size of minimal monthly salary set up by the law;
- for the issue of a licence to establish a temporary storage warehouse - in the amount equal to 800 times of the size of minimal monthly salary set up by the law;
- for the issue of a licence to work as a customs broker - in the amount equal to 500 times of the size of minimal monthly salary set up by the law;
- for the renewal of the licence to work as a customs broker - in the amount equal to 1,000 times of the size of minimal monthly salary set up by the law;
- for the issue of the certificate of competence of the customs clearance specialist - in the amount equal to 20 times of the size of minimal monthly salary set up by the law;
- for the renewal of the certificate of competence of the customs clearance specialist - in the amount equal to 40 times of the size of minimal monthly salary set up by the law;
- for the issue of a licence to work as a customs carrier - in the amount equal to 500 times of the size of minimal monthly salary set up by the law; and
- for the renewal of a licence to work as a customs carrier - in the amount equal to 1,000 times of the size of minimal monthly salary set up by the law;

The rates of charges are determined based on the granting the related right for the term of three years.

Size of rates, charges and other payments envisaged by the Customs Code of the Republic of Tajikistan are fixed by the Decree No. 199 of 4 November 1995 of the Majlisi Oli of the Republic of Tajikistan and joint orders of the Customs Committee and the Ministry of finance of the Republic of Tajikistan.

#### **(e) Quantitative import restrictions**

Legal support and mechanisms of use of quantitative import restrictions including bans are provided by the current legal-regulatory acts of the Republic of Tajikistan. However, it is necessary to note that currently there are no quantitative restrictions and bans for import of goods, except as indicated below.

The customs legislation and other laws and sub-legislative acts of the country anticipate the use of the quota and licensing system. Thus, in accordance with the Decree No. 62 of 4 February 2000 of the Government of Tajikistan "On quotas on import of ethyl alcohol and alcohol production in 2002" in 2002 quotas were imposed on ethyl alcohol and alcohol drinks. The mechanism of fixing quotas and the order of licensing of the import of mentioned goods are regulated by the Decree No. 48 of 19 February 1999 of the Government of Tajikistan "On combined measures on strengthening of the state regulation of production and circulation of the ethyl alcohol and alcohol drinks," and also by the Decree No. 131 of 7 April 1999 of the Government of Tajikistan "On approval of the regulation related to the state regulation of production and circulation of ethyl alcohol and alcohol drinks. The Decree No. 453 of 27 October 1999 of the Government of Tajikistan "On

combined measures of the state regulation of import, export and wholesale of tobacco goods" (attached) approved the order of issuing licenses and setting up quotas on tobacco goods.

**(f) Import licensing procedures**

Procedures of the import licensing are determined for the relevant categories of goods—alcohol and tobacco goods in accordance with the Decree No. 48 of 19 February 1999 of the Government of Tajikistan "On combined measures on strengthening of the state regulation of production and circulation of the ethyl alcohol and alcohol drinks," the Decree No. 131 of 7 April 1999 of the Government of Tajikistan "On approval of the regulation related to the state regulation of production and circulation of ethyl alcohol and alcohol drinks" and the Decree No. 453 of 27 October 1999 of the Government of Tajikistan "On combined measures of the state regulation of import, export and wholesale of tobacco goods" (attached). The concrete mechanism and procedure issues related to import licensing are described in Annex 3 of the Memorandum.

In accordance with the Decree No. 465 of the Government of Tajikistan of 9 November 2000 "On approval of the regulation on the order of issuing licence in the area of legal traffic of drugs, psychotropic substances and precursors" it is required to have a licence for export, import or transit of the mentioned goods through the customs territory of Tajikistan. This regulation approved creation of the Licensing commission. The chairperson of this commission is a Director of the Agency on drug control under the President of the Republic of Tajikistan and co-chairpersons are the Minister of Health and the Minister of Interior. Members of this commission are the representatives of the Agency on drug control and the Ministry of Health and the Ministry of Interior of the Republic of Tajikistan.

**(g) Other border measures**

According to the requirements of current legal-regulatory acts it is necessary to have the following documents for export-import operations in respect of products indicated:

- Certificate of the participant in foreign economic activity issued by the Ministry of economy and trade;
- Certificate of commodity origin issued by the Chamber of commerce of the Republic of Tajikistan;
- Certificate of quality, issued by Tajikstandart;
- Quarantine certificate on agricultural products issued by Goskarantin (State Quarantine) of the Ministry of Agriculture;
- Veterinary certificate issued by the Department of State Veterinary Inspectorate of the Ministry of Agriculture;
- Banking confirmation about full advance payment on the list of goods according to the Decree No. 424 of the President of the Republic of Tajikistan of 24 February 1996;
- Passport of the bank on guarantee of implementation of settlement of accounts during 120 days according to the Decree No. 1249 of the President of the Republic of Tajikistan of 13 July 1999;
- Confirmation of the taxation bodies on collection of the sales tax on export of cotton and aluminum;
- Insurance policy on goods for export by state enterprises issued by the State Investment Insurance Company "Tajiksarmoyaguzor" according to Decree No. 547 of 31 December 1998 of the Government of Tajikistan;
- Authorization of the Ministry of industry of the Republic of Tajikistan for export-import of precious and semiprecious metals, alloys, goods from them, ores, concentrates, scrap-iron and waste of precious metals, rare and rare-earth metals, raw material for producing

alloys, compounds, and goods according to the Decree No. 88 of 12 February 1997 of the Government of the Republic of Tajikistan;

- Authorization of the Ministry of Industry of the Republic of Tajikistan for export-import of precious and semi-precious stones according to the Decree No. 357 of 7 August 1997;
- Quotas and licenses issued by Corporation "Khurokvori" (Food stuff) for export and import of alcohol production (spirit) and tobacco goods according to the Decrees No. 48 of 19 February 1999 and No. 453 of 27 October 1999 of the Government of the Republic of Tajikistan.

Note: re-export of the above-mentioned goods may be carried out only with authorization of the Government of the Republic of Tajikistan

- Authorization of the Ministry of Health of the Republic of Tajikistan for moving medicines across the customs border of the Republic of Tajikistan according to the Decree No. 258 of 10 June 1996 of the Government of the Republic of Tajikistan;
- Authorization of the Ministry of Nature Protection of the Republic of Tajikistan for import of toxic agents, chemical agents for plant protection, mineral, non-organic and organic fertilizers according to the law of the Republic of Tajikistan "On nature protection";
- Authorization of the Ministry of Agriculture for import of agricultural, decorative herbaceous crops (including their seeds) and silkworms according to the Decree No. 62 of 20 February 1998 of the Government of Tajikistan;
- Authorization of the Ministry of Communications of the Republic of Tajikistan for import of radio-electronic facilities and high-frequency devices according to the Decree No. 371 of 1 August 1994 of the Council of Ministers of the Republic of Tajikistan;
- Decision of the Tajik Universal commodity exchange in accordance with the Decree No. 237 of 8 June 2001 "On measures on improvement of promotion of domestically produced goods on the foreign market" on the list of goods, raw material and production produced by domestic producers and subject to mandatory sale through the commodity exchange, established by Decree No. 237.

List of raw material and goods produced by the domestic commodity producers and subject to mandatory sale through the Tajik universal commodity exchange

Goods nomenclature	Code according to the CIS goods nomenclature of the foreign economic activity
Materials of phytogenous origin (lint)	1404
Tobacco and industrial tobacco substitutes	24
Ores and ashes	26
Fluorine, chlorine, bromine, iodine	2801
Rare-earth metals	2805
Sodium Hydrate, etc.	2815
Pharmaceutical production	30
Explosives	3602, 3603
Raw hides and skins	4101 4102 4103
Silk	50
Fleece, fine and coarse wool	51
Cotton	52
Natural and cultivated pearls, precious and semiprecious stones, precious metals, clad metals and different goods from them	71
Ferrous metals and goods from them	72-73

Goods nomenclature	Code according to the CIS goods nomenclature of the foreign economic activity
Copper waste	7404
Nickel waste	7503
Aluminum goods	76
Lead waste	7802
Isolated wires, cables and other isolated electric wires with connecting parts or without them	8544

It is necessary to have a Decision of the Government of the Republic of Tajikistan in accordance with the Decree No. 111 of 19 February 1997 "On measures on improvement of the foreign economic activity in the Republic of Tajikistan" on export of the following goods:

- Uranium and other radioactive substances, goods from them, technologies, appliances, equipment and plants and sources of radiation including radioactive waste;
- Gunpowder, explosives and their waste;
- Drugs and psychotropic and toxic substances;
- Arms and military equipment, spare parts for their production, works and services in the area of the military-technical cooperation;
- Regulatory-technical documentation for military production (engineering and operational);
- Service and civil weapons;
- Military uniforms, garments and other related things;
- Means of protection from poisonous substances, parts and accessories used in battles;
- Cryptographic devices (including cryptographic equipment, spare parts, cryptographic software), regulatory-technical documentation for cryptographic devices;
- Mineralogy and paleontology collection material;
- Works of art, collectables and antiques, which have significant artistic, historical, scientific and cultural value;
- Information about deposits of mineral resources and oilfields and their location on the territory of the Republic of Tajikistan (including charts, maps, drawings); and
- Wild animals and birds included in the Red Book.

It is necessary to have a Decision of the Government of the Republic of Tajikistan in accordance with the Decree No. 111 of 19 February 1997 "On measures on improvement of the foreign economic activity in the Republic of Tajikistan" on import of the following goods:

- Uranium and other radioactive substances, goods from them, technologies, appliances, equipment and plants and sources of the radiation including radioactive waste;
- Gunpowder, explosives and their waste;
- Drugs and psychotropics and toxic substances;
- Arms and military equipment, spare parts for their production, works and services in the area of the military-technical cooperation;
- Regulatory-technical documentation for military production (engineering and operational);
- Service and civil weapons;
- Military uniforms, garments and other related things;
- Means of protection from poisonous substances, parts and accessories used in battles; and
- Cryptographic devices (including cryptographic equipment, spare parts, cryptographic software), regulatory-technical documentation for cryptographic devices.

**(h) Customs valuation**

The system of the customs valuation of goods in the Republic of Tajikistan is based on general principles of customs valuation of goods, which are used in international trade practice.

In accordance with Articles 18, 19, 20, 21, 22, 23 and 24 of the Law of the Republic of Tajikistan "On customs tariff" 6 methods of customs valuation are used. The main method of customs valuation of goods established by the above-mentioned law is customs valuation of goods on the invoice price of a transaction with imported goods, as recommended by the WTO. The following methods of customs valuation of goods in the Republic of Tajikistan are established by the Law of the Republic of Tajikistan "On customs tariff" and are used in trade practice:

- Method of the price of a transaction with imported goods

The customs value of imported goods is the price of a transaction paid in fact or subject to payment as of the moment of crossing the customs border of the Republic of Tajikistan (to port or other place of entry).

- Method of the price of a transaction with identical goods

When using the valuation method of the price of a transaction with identical goods, the price of a transaction with identical goods is used as a basis for determining the customs value of goods; identical goods are goods, which are identical in all respects with goods being valued.

- Method of the price of a transaction with similar goods

When using of the valuation method of the price of a transaction with similar goods, the price of a transaction with similar imported goods is used as a basis for determining the customs value of goods; similar goods are goods which are not identical in all respects but have similar characteristics and consist of similar components which allows them to fulfill the same functions as the goods being valued and be commercially interchangeable.

- Method based on cost subtraction

The customs value is determined through the method based on cost subtraction only when the goods are sold in the territory of the Republic of Tajikistan without change of its original condition.

- Method based on cost adding

When using the valuation method based on cost adding, the value of the commodity calculated through adding is used as a basis to determine the customs value of the commodity.

- Reserve method

In cases when the customs value of the commodity cannot be determined by the declarant as a result of the consecutive use of the methods of determining customs value mentioned above or when the customs, based on arguments, considers that these methods cannot be used, the customs value of goods being valued is determined taking into account the world practice.

**(i) Other customs formalities**

The customs legislation anticipates that a participant in foreign economic activity when moving goods and transportation equipment through the customs border of the Republic of Tajikistan should produce to the customs the declaration of control and correction of the customs value. This

procedure is being carried out through the customs brokers, who are intermediaries in export-import operations between customs and the participant.

The foreign exchange control of export-import operations is also exercised in customs. These procedures are based on requirements of the law of the Republic of Tajikistan "On the foreign exchange regulation and foreign exchange control." Participants in the foreign economic activity in export-import operations open for a fixed time passports of a transaction for foreign exchange control in the authorized banks in accordance with contracts and produce them to the customs during customs legalization.

**(j) Pre-shipment inspection**

The mechanism of pre-shipment inspection is not developed yet and is not used. However, some measures on introduction of the mechanism of pre-shipment inspection in foreign trade are being taken.

**(k) Application of internal taxes on imports**

During import of goods and transportation means to the customs territory of the Republic of Tajikistan customs imposes the following customs payments: the customs duty, VAT, and excise tax and customs charges.

Internal taxes on imports are subject to taxation in accordance with the Tax Code of the Republic of Tajikistan No. 664 of 12 November 1998. VAT rate is equal to 20 per cent of the taxed value of taxed imports. The value of the taxed imports is the customs value of goods determined in accordance with the Law of the Republic of Tajikistan "On Customs tariff" plus the sum of duties and taxes subject to payment at import of goods to the Republic of Tajikistan but without taking into account VAT.

Tax preferences on imports are given in compliance with Article 187 of the Tax Code. Particularly, import of goods to the Republic of Tajikistan from countries which apply the VAT regime to exports of goods (works, services) to the Republic of Tajikistan

With regard to imported goods the Republic of Tajikistan uses the same taxation regime as with regard to domestic commodities, except for products listed in Annex 9 where the excise rate for import is higher than the rate applied to similar domestic goods. After crossing the customs border of the Republic of Tajikistan by goods and payment of all customs charges the national regime is used with regard to them. Domestic taxes and duties on imported goods are the same as for domestic goods. Laws and regulations regulating their sale, purchase, distribution, usage and storage are the same.

**(l) Rules of origin**

- The goal of determining the country of origin of the commodity

The country of origin of a commodity is determined in order to implement the tariff and non-tariff measures for regulating import and export of the commodity. Principles of specifying the country of origin of a commodity in the Republic of Tajikistan are based on the existing international practice.

- Country of origin of the commodity

The country of origin of a commodity is the country where this commodity was completely produced or processed in accordance with standard criteria. At the same time, the country of origin of

the commodity could be a group of countries, a customs union of countries, a region or a part of a country if it is necessary to identify them in order to determine the origin of the commodity.

- Commodity completely produced in a certain country

Commodities completely produced in a certain country are:

- Minerals extracted on its territory or in its territorial waters, or on its continental shelf and in the sea if the country has exclusive rights on their exploitation;
- Phytogenous production grown up or collected in its territory;
- Animals born and raised in it;
- Production from home-grown animals;
- Production of hunting and fishing in the country;
- Production of fishing produced in the Oceans by ships which belong to or are leased (chartered) by the country;
- Recycled materials which are results of production or any other operations in the country;
- Hi-tech goods produced in open space on spaceships which belong to or are leased by the country;
- Goods produced in the country exclusively from production mentioned above; and
- Criteria of sufficient processing of commodity.

If in the production of a commodity participate 2 or more countries, the commodity origin is determined in accordance with the criteria of sufficient processing. These criteria are:

- Change of the commodity position (classification code) in commodity listing at the level of any of the first 4 symbols resulting from the processing of the commodity;
- Carrying-out of industrial or technological operations sufficient to consider the commodity originating in the country where these operations took place; and
- The rule of ad valorem share—the change of the value of the commodity when the percentage of the cost of used materials or value added reaches a fixed share of the price of the commodity.

At the same time, the following things do not meet criteria of sufficient processing:

- Operations for providing safety of goods during their storage or transportation;
- Operations for preparation of goods for sale and transportation (splitting up of a consignment of goods, preparing them for shipment, sorting, repacking);
- Simple assembly operations; and
- Mixing of goods (components) without giving them characteristics significantly different from initial components.

**(m) Anti-dumping regime**

In compliance with the Law of the Republic of Tajikistan "On Customs Tariff", Article 9, antidumping duties are applied in the following cases:

- When bringing goods into the customs territory of the Republic of Tajikistan at a price lower than their normal price in the country of export at the moment of export;
- If such export inflicts or threatens to inflict losses on domestic producers of similar goods, or hinders to start or expand production of similar goods in the Republic of Tajikistan.

The antidumping regime in the Republic of Tajikistan complies with the basic norms and standards of the GATT. However, it should be noted that the antidumping regime in customs

activities has not yet been applied and will not be applied until further detailed procedural provisions have been adopted.

**(n) Countervailing duty regime**

In conformity with the Law of the Republic of Tajikistan "On Customs Tariff", Article 10, countervailing duties are applied if production or export of goods, which are brought into the customs territory of the Republic of Tajikistan, have directly or indirectly been subsidized, and if such export inflicts or threatens to inflict losses on domestic producers of similar goods, or hinders to start or expand production of similar goods in the Republic of Tajikistan.

The countervailing duty regime in the Republic of Tajikistan complies with norms and standards of GATT. However, it should be noted, that the countervailing regime in customs activities has never been applied.

**(o) Safeguard regime**

The Law of the Republic of Tajikistan "On Customs Tariff", Article 8 specifies the use of protective measures, such as special duties. They are applied in the following ways:

- As a protective measure if goods are brought into the customs territory of the Republic of Tajikistan in such quantity and under conditions inflicting or threatening to inflict losses for domestic producers of similar or directly competing goods; and
- As a reciprocal measure to discriminatory or other actions hindering interests of the Republic of Tajikistan by other states or their unions.

The protective measures regime in the Republic of Tajikistan complies with norms and standards of GATT.

**2. Export Regulation**

**(a) Registration requirements for engaging in exporting**

The Memorandum, Section "Import Regulation", Item (a) specifies registration requirements when importing goods. There are similar measures when exporting goods.

**(b) Customs tariff nomenclature, types of duties, duty rates, weighted averages of rates**

In accordance with current legislation of the Republic of Tajikistan, the customs tariff is not applied when implementing export operations. The export customs tariff in the Republic of Tajikistan is not applied. The import duties, which are applied in the Republic, are stated in the Memorandum, Section "Import Regulation", Item b).

**(c) Quantitative export restrictions**

The customs legislation envisages introduction of quantitative export restrictions. Currently, there are no quantitative restrictions imposed by the Government for export of goods. No other prohibitions are imposed.

The quotas and licenses system is analogous to Section "Import Regulation", Item e), of the Memorandum.



**(d) Export licensing procedures**

Procedures to issue export licenses for alcohol and alcohol products are approved by Resolution of the Government "On Approval of Provisions Related to Government Regulation of Output and Turnover of Ethyl Alcohol and Alcohol Products", No. 131 dated 7 April 1999.

Provision on Procedure Determining Quotas for Export, Import, and Purchase of Ethyl Alcohol and Alcohol Products.

Provision on Procedure to Process and Issue Licenses for Output and Turnover of Ethyl Alcohol and Alcohol Products.

Provision on Procedure and Conditions to Enter the Unified Register of Entities Engaged in Output and Turnover of Ethyl Alcohol and Alcohol Products, and Private Entrepreneurs Engaged in Retail Sales of the Mentioned Products.

Regulation on Procedure to Declare Output Volume and Turnover of Ethyl Alcohol and Alcohol Products.

Fee Rates for Considering Applications and Issuing Licenses Related to Output and Turnover of Ethyl Alcohol and Alcohol Products.

Resolution of the Government of the Republic of Tajikistan "On Comprehensive Measures of Public Regulation Related to Import, Export, and Wholesales of Tobacco Products", No. 453, of 27 October 1999 regulates the procedures for issuing licenses for export of tobacco products.

**(e) Other measures**

Although, the legislation of the Republic of Tajikistan envisages use of such measures, such measures have not been applied.

The list of goods, raw material and production subject to sales on auctions of the Tajik Universal Commodity Exchange was approved by the Decree of the Government of the Republic of Tajikistan "On measures on improvement of promotion of domestically produced goods on the foreign market", No. 237 dated 8 June 2001 (See item (g), Import regulation).

**(f) Export financing, subsidy and promotion policies**

Currently, in the Republic of Tajikistan export financing, subsidy and promotion policies are not carried out.

**(g) Export performance requirements**

The legislation does not specify any specific requirements to provide export incentives for selected goods.

**(h) Import duty drawback schemes**

The issues of the processing of goods on the customs territory of the Republic of Tajikistan are regulated by Articles 58-64 of the Customs Code of the Republic of Tajikistan.

In accordance with Article 58 of the Customs Code of the Republic of Tajikistan, the processing of goods on the customs territory is the customs regime under which the foreign goods shall be used according to established procedure for the processing on the customs territory of the

Republic of Tajikistan without application of the economic policy measures and with reimbursement of import customs duties and taxes under condition of import in accordance with the export customs regime of processed products outside the customs territory of the Republic of Tajikistan.

In accordance with Article 63 of the Customs Code, reimbursement of import duties and taxes at export of the processed goods according to the export customs regime shall be carried out by the customs bodies of the Republic of Tajikistan under condition of observance of the Customs Code provisions and if processed products shall be exported not later than two years after the goods transfer across the customs border of the Republic of Tajikistan.

In accordance with Article 64 of the Customs Code, foreign goods and products of their processing shall be exempted from export customs duties and taxes. Economic policy measures shall not be applied to the above-mentioned goods and products.

The Customs Code of the Republic of Tajikistan, Article 125 envisages rebates of excessively paid or levied customs duties. According to this Article, overpayments of customs duties should be returned to the payer during one year since the moment of payment upon his request. On return of customs duties interest is not paid.

The order of refund of excessively paid or collected customs payments is determined by the Ministry of State Revenues and Duties of the Republic of Tajikistan agreed with the Ministry of Finance of the Republic of Tajikistan.

### **3. Internal policies affecting foreign trade in goods**

#### **(a) Industrial policy, including subsidy policies**

Currently, the policy of transition to the market economy with privatization of the state-owned enterprises is being carried out in Tajikistan. At the same time, the policy of foreign investment attraction in all branches of industry in order to apply advanced technologies and develop new products is being carried out in the country. The industrial policy is not aimed at protection of a certain branch or a certain economic entity. However, the Government provides some support to development of separate branches. Among these support measures are the following:

- budget allocations for exploration work for enterprises of mining and chemical branches;
- separate benefits on taxation of goods for children;
- granting of preferential purpose loans, including micro-credits.

According to the current budget legislation, the state budget of the Republic of Tajikistan does not directly subsidize export. However, several measures of indirect subsidizing of production and sales of certain goods forming the basis of export potential of the country are applied in practice.

In compliance with Article 7 of the Law of the Republic of Tajikistan "On state budget of the Republic of Tajikistan for 2003", sales tax for primary aluminum was fixed at two per cent and for cotton - at ten per cent. At the same time, effective 1 January 2003, delivery of cotton and primary aluminum are exempted from VAT.

In the adopted state budget for 2003 in energy sector there are funds for support of vulnerable groups of population due to rise in prices and tariffs for energy resources in the amount of 12 million Somoni (US\$4 million), support of coal industry in the amount of 150,000 Somoni (US\$50,000), exploration work – 267,500 Somoni (US\$89,000). Total in energy sector the budget allotment for 2003 is equal to 12.5 million Somoni (US\$4,139 million) without taking into account centralized capital investment into this sector.

The state budget allocated funds for exploration work by mining enterprises as well as enterprises using local raw material such as those dealing with extraction of complex ores, gems, precious metals and stones, construction and finishing materials, different mineral raw material for chemical and other branches of industry. For exploration work it was allotted 488,500 Somoni in the 2002 budget and planned to obtain financing in the amount of 581,200 Somoni in 2003.

Currently the Government of the Republic of Tajikistan is considering the possibility of exemption of production of children's range of goods from VAT as well as subsidizing this branch in the sum of 400,000-950,000 Somoni annually.

In accordance with the program of rehabilitation of production facilities of the Tajik Aluminum plant, the Government of the Republic of Tajikistan adopted a number of decrees related to financial rehabilitation of the plant's economy:

- No. 222 of 10 May 2000 "On approval of the list of basic types of raw material, materials, energy resources and equipment, imported by the Tajik Aluminum plant for production of primary aluminum exempted from VAT". Total exempted from VAT is US\$51,345.5, according to 2002 list;
- No. 447-17-C of 4 October 2001 "On tariffs for electrical energy for the Tajik Aluminum plant". Total difference between fixed tariff for all industrial enterprises and the tariff for the Tajik Aluminum plant in 2002 was equal to US\$14,719.7;
- No. 187 of 30 April 2002 "On Customs tariff of the Republic of Tajikistan". The import customs duty rate for Aluminum Oxide other than artificial corundum was fixed at two per cent. Total difference between fixed import customs duty rate of five per cent for all goods and the duty rate for Aluminum Oxide other than artificial corundum was equal to US\$5,349.9.

**(b) Technical regulations and standards**

Standards and requirements of certification in the Republic of Tajikistan are not aimed at creation of technical barriers to trade.

The mentioned certification standards and requirements are aimed at: i) provision of safety and/or quality of goods, work and services; ii) protection of the environment, health, life and property, and labour conditions of citizens; iii) ensuring unity of quantitative measurements, technical compatibility, and interchangeability of products; iv) preservation of all kinds of resources.

In accordance with the Law of the Republic of Tajikistan "On Government Regulation of Foreign Economic Activity", Article 12, all goods brought into the Republic of Tajikistan should comply with technical, pharmacological, sanitary, veterinary, phytosanitary and ecological standards and requirements established in the Republic of Tajikistan.

The Agency on Standardization, Metrology, Certification and Trade Inspection of the Ministry of Economy and Trade of the Republic of Tajikistan (Tajikgosstandart) is responsible for development, management, and implementation of Tajikistan's policy according to technical rules, certification standards, and requirements.

Resolution of the Government of the Republic of Tajikistan "On protection of consumer market of the Republic of Tajikistan from Poor Quality goods", No. 97 of 16 March 1999 approved the certification procedure for food and other goods brought into and out of the Republic of Tajikistan. Based on this Resolution and following the instruction of Government, Tajikgosstandart developed, harmonized with CIS countries, and agreed with relevant ministries and agencies the "Nomenclature of Products, and Services (Works) Subject to Compulsory Certification in the

Republic of Tajikistan", No. 265 of 30 August 1999. The Nomenclature went into effect on 1 September 1999.

Tajikgosstandart is responsible for accreditation of certification and testing bodies.

In compliance with the "Agreement on Unified Standardization, Metrology and Certification Policy" signed by all CIS countries, Tajikgosstandart admits a certificate issued by the CIS accredited body. Thus, the Republic of Tajikistan admits certificates issued by public accredited certification bodies from Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Turkmenistan and Uzbekistan.

Tajikgosstandart may accredit foreign companies as certification bodies and test laboratories. Accreditation requirements and procedures are similar both for domestic and foreign certification boards.

Annex 5 of this Memorandum gives a detailed description of the legislation and procedures related to technical regulations, standards and certification requirements.

### **(c) Sanitary and phytosanitary measures**

In accordance with the Law of the Republic of Tajikistan "On Government Regulation of Foreign Trade Activity", Article 12, goods brought in the Republic of Tajikistan must comply with technical, pharmacological, sanitary, veterinary, phytosanitary and ecological standards and requirements established in the Republic of Tajikistan.

The goal of the policy of the Government of the Republic of Tajikistan with respect to development and support of sanitary norms is to provide safety of human health and life, animals and plants, but not the establishment of technical barriers for foreign products or protection of domestic producers.

Based on the law of the Republic of Tajikistan "On State Sanitary Inspection" of 20 July 1994, the Ministry of Health performs hygienic certification and expertise of a number of imported consumer goods (foodstuffs, medications, chemicals, raw materials, and minerals). The above-mentioned goods should meet medical and biological norms. In case they do not comply with norms, it is prohibited to bring in and use such goods in the Republic of Tajikistan.

Veterinary activity in the Republic of Tajikistan is implemented based on the International Veterinary Code (Paris, 2000). Since 1993 the country is a member of the International Epizootic Bureau and the CIS Intergovernmental Veterinary Council. Organization and implementation of the veterinary control is being carried out in accordance with the law of the Republic of Tajikistan "On veterinary activity" and other legislative acts issued on its basis.

Veterinary legislation defines objectives of the veterinary services, management of veterinary services, authorities of public veterinary inspectors, entitlements and responsibilities of owners of animals and cattle-breeding products, procedures of imposing and lifting quarantine in case of live-stock infectious diseases, as well as other institutional and legal issues related to the veterinary service.

The State Veterinary service of the Ministry of the Republic of Tajikistan executes management of the veterinary services network. Management of veterinary services at the border and on transport is performed by its subdivisions.

The State Veterinary service conducts assessment of the epizootic situation in the Republic, exerts control over the protection of the territory of the Republic of Tajikistan from importing live-

stock carrying infectious diseases from abroad through executing relevant control measures related to intermediates, transportation, export and import of animals, products and raw materials of animal origin, fodder, fodder supplement and other products applied in live-stock breeding. The mentioned service requires that all legal entities and individuals of the Republic of Tajikistan and other states should implement measures to prevent spreading and to liquidate infectious diseases, as well as to provide information essential to find out the epizootic status of live-stock.

There are no restrictions for import of meat and meat products.

The State Inspectorate on Plants Quarantine under the Ministry of Agriculture of the Republic of Tajikistan executes control over import and exports of plants and unifies public quarantine control over plants. The State Inspectorate performs its activities based on quarantine requirements, which foresee use of various state, public and special measures related to plants protection and prevention of the diseases.

In case veterinary rule and rules established to combat diseases and vegetation pests are violated, the Criminal Code, Article 225 stipulates criminal responsibility as a fine amounting to 500 to 1,000 minimum wages or prison of up to three years.

**(d) Trade-related investment measures**

The following investment measures related to trade are applied in the Republic of Tajikistan:

- Article 129 of the Taxation Code foresees income tax preferences from 2 to 5 years depending on investment volume;
- Article 187 of the Taxation Code and Article 35 of the Law "On Customs Tariff" foresee exemption from VAT tax and customs duties on imported production technological equipment, etc. as a replenishment to the statutory fund of enterprises with foreign investment;
- Article 10 of the Law of the Republic of Tajikistan "On foreign investment" guarantees transfer of the incomes of foreign investors abroad in foreign exchange.

The Republic of Tajikistan does not apply investment measures which do not comply with requirements of the WTO Agreement on TRIM.

**(e) State-trading practices**

Since 1995 in the Republic of Tajikistan the process of progressive liberalization of foreign and domestic trade is going on. The role of the state as a participant of trade relations is brought to the minimum.

In accordance with current legislation of the Republic of Tajikistan, the Ministry of economy and trade of the Republic of Tajikistan is the body responsible for development and implementation of the state trade policy.

According to the Regulation of the Ministry of economy and trade of the Republic of Tajikistan approved by the Regulation No. 77 of the Government of the Republic of Tajikistan of 17 February 2001, the main responsibilities of the Ministry in the area of the state trade are the following:

- development and improvement of the state trade organization system; and
- development and implementation of the state policy in the area of domestic trade, consumer market and services, and regulation of activities of its participants.

The regulation also approved the list of the state enterprises and joint-stock companies implementing their activities based on bilateral agreements with the Ministry of economy and trade of the Republic of Tajikistan:

- Unitary enterprise "Sughdsavdo", commercial activity;
- Unitary enterprise "Khatlonsavdo", commercial activity;
- National Tourism Company "Sayoh", tourism activity;
- Tajik Universal Commodity Exchange, exchange trade activity;
- Agroindustrial center (Nov District), commercial activity;
- National Industrial Warehouse (Dushanbe), commercial activity;
- Unitary enterprise "Lesostroimetallotorg", commercial activity;
- Unitary enterprise "Tijorat", commercial activity;
- Joint-stock company "Myasomoltorg", commercial activity;
- Joint-stock company "Bakaleyatorg", commercial activity;
- Joint-stock company "Vahdat", commercial activity;
- Joint-stock company "Tojikta'minot", commercial activity;
- Joint-stock company "Ehyo", commercial activity;
- Joint-stock company "Tajikvtormet", collection of ferrous metals scrap and waste and their sales;
- Joint-stock company "Lesostroimaterialy", commercial activity;
- Joint-stock company "Lesosnabtorg", commercial activity;
- Joint-stock company "Madadgor-1", commercial activity; and
- Joint-stock company "Furushgoi Markazi", commercial activity.

At the same time, except for restrictions specified in items (e), (f) and (g), "Import Regulation", there is no private or state enterprise or establishment in the Republic of Tajikistan which would have exclusive or special rights or privileges, legal or constitutional power, the application practice of which allows influencing the level or direction of export or import.

**(f) Free zones**

The Customs Code of the Republic of Tajikistan envisages free customs zones and free warehouses.

A free customs zone is a detached territory within the territory of the Republic of Tajikistan, the perimeter of which is considered the customs border of the Republic of Tajikistan. It means that provisions of the national customs legislation are not applied in the territory of a free customs zone. However, given the national interests of the country, bans and restrictions on specific economic activities may be imposed in the territory of free customs zones.

When bringing in goods to be placed in free customs zones, customs processing is undertaken for statistical and law enforcement purposes.

However, measures of tariff and non-tariff regulation are not applied.

When bringing in goods from free customs zones to the customs territory of the Republic of Tajikistan, customs processing is undertaken depending on the selected export customs regime. When bringing goods from a free customs zone to destinations outside the customs territory of the Republic of Tajikistan, measures of tariff and non-tariff regulations are not applied.

In conformity with the Customs Code of the Republic of Tajikistan, production and any other commercial operations, except for retail trade, is permitted in both free customs zones and free warehouses. Goods brought in or brought out of such zones and warehouses are not subject to

customs duties and tax and economic restrictions are not applied until goods are brought into the customs territory of the Republic of Tajikistan.

**(g) Free economic zones**

Neither free economic zones nor legislation regulating their functioning are yet established in the Republic of Tajikistan.

The Law of the Republic of Tajikistan "On foreign trade activity" foresees creation of free economic zones. In compliance with Article 12 of this Law, economic activities in free economic zones are defined by legislation of the Republic of Tajikistan. However, relevant legislation has not been developed and free economic zones in the territory of the Republic of Tajikistan have not been set up yet.

**(h) Trade-related environmental policies**

The Ministry of nature protection of the Republic of Tajikistan is a state body authorized to exercise control in the area of environment protection and to use effectively the natural resources in the Republic of Tajikistan.

In accordance with the Law of the Republic of Tajikistan "On Government Regulation of the Foreign Economic Activity", Article 12, goods brought into the Republic of Tajikistan must comply with technical, pharmacological, sanitary, veterinary, phytosanitary and ecological standards and requirements established in the Republic of Tajikistan.

To implement this Article, the Government of the Republic of Tajikistan determined certain standards for products to protect the environment of the Republic and life, health or property of citizens of Tajikistan.

The list of products subject to mandatory testing or certification for security reasons is determined (See Annex 5). Testing/certification requirements for the environment are equally applied to merchandise of domestic and external origin. Such requirements are not aimed at discrimination of foreign producers in order to protect the domestic market.

In making certain that requirements on environment protection are observed, the documentation related to bringing in goods subject to certification that they are complying with ecologic standards and rules must contain a provision requiring that such goods have appropriate stamps issued by Tajikgosstandart or an accredited certification body. In addition, a certificate of compliance issued by Tajikgosstandart or other accredited certification body must accompany these goods.

In conformity with the Code on administrative violations, nature protection bodies execute control over observance of rules of transport, storing, and use of plant protection means, plant growth stimulators, mineral fertilizers, other chemical substances, and agents which may entail contamination of soil, water, atmosphere air, or destruction of flora and fauna.

**(i) Mixing regulations**

Currently no mixing regulations are used.

**(j) Government-mandated counter-trade and barter**

The licensing and export allocation procedure for all types of goods and raw material in the Republic of Tajikistan was cancelled by Decrees of the President of the Republic of Tajikistan

No. 261 "On further liberalization of foreign trade of the Republic of Tajikistan" of 27 June 1995 and No. 407 "On sales procedure for cotton and primary aluminum and use of foreign exchange earnings" of 10 February 1996. Sales of all types of goods abroad is carried out without restrictions for foreign exchange at prices fixed on the National commodity exchange (auctions) taking into account world prices. One hundred per cent of pre-payment is a mandatory requirement for export of cotton and processed goods, primary aluminum and goods, ores, concentrates and residues of precious metals, fermented tobacco, hides and leather, fertilizers, geranium oil, natural honey, herbs, snake venom.

The Republic of Tajikistan does not apply measures that make obligatory counter-trade or barter. Any importer imports goods without obligation to export any other goods or mandatory barter on imported goods.

All types of barter operation are forbidden in Tajikistan, except for primary aluminum sales by the Tajik Aluminum Plant for production purposes (purchases of raw materials and technological equipment), in volumes, settled by the Government of the Republic of Tajikistan and proposed by the Ministry of Economy and Trade of Tajikistan.

#### **(k) Trade agreements leading to country-specific quotas allocation**

Between the Republic of Tajikistan and the European Community, on 16 July 1993 in Brussels, was signed a Textile Trade Agreement. The agreement was signed for the period of three years. In November 1995 the agreement was signed in the form of exchange letter about extension of the validity of the above-mentioned Agreement until 31 December 1999. Later the agreement was extended until 31 December 2003.

In the absence of Free Trade Agreement or other comparable arrangements, the European Community is not in a position to modify the tariff treatment of Tajikistan. Tajikistan having the status of a standard beneficiary country enjoys a 15% reduction from the normal tariff rate in the textile sector.

The Republic of Tajikistan does not have any other agreements implying provision of quotas to any country.

#### **(l) Government procurement practices**

"Expansion of participation and competition development between suppliers (contractors), both domestic and foreign ones, in the process of procurement" is one of the main goals defined in the Law of the Republic of Tajikistan "On government procurement of goods, works and services" of 12 December 1997. The law stipulates that the Government of the Republic of Tajikistan should authorize a state procurement body. Prior to 2001 the Agency of Procurement of Goods, Works and Services under the Government of Tajikistan used to be such body. Upon dissolution of the Agency, a similar Agency under the Ministry of Economy and Trade of the country was established in March of the same year. The Agency performs its activity in accordance with the above-mentioned law as well as normative and legal documentation based on the standard UNCITRAL (UN Commission on International Trade Law) Law, recommendations of the World Bank and the International Development Association (IDA).

Below is statistics on tender commissions activities related to government procurement:

Indicator	1999		2000		2001		
	Absolute value	%	Absolute value	In % to 1999	Absolute value	In % to 1999	In % to 2000
Quantity of tenders conducted	32	100.0	1,476	46.1 times	3,217	100.5 times	2.18 times



Total of government procurement agreements concluded in thousands of Somoni	8,461	100.0	10,727	126.8	19,074	225.4	177.8
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Below is the present state (government) procurement practice exercised according to relevant legal and normative acts:

- A Government body submits a request including nomenclature and procurement conditions to the authorized body. The authorized body, jointly with entities concerned (EC) (Ministry of Finance and Ministry of Economy and Trade, etc.) sets up a tender commission (TC) and places invitations to participate in a tender (IPT) in mass media.
- When the major method of open competitive bidding is used, the minimum quorum of participants is three. The same quorum is envisaged for procurement by a two-stage bidding method. The authorized body also uses alternative procurement methods such as a request for proposals, a request for quotations (invoices), and single source procurement.
- Envelopes with candidates' bids are opened within a period stated in IPT. The tender commission (TC) announces the preliminary results and a supposed winner (SW). When EC examine qualifications of the SW and a decision on agreement on signing is taken, a TC protocol on public procurement is prepared.
- One copy of the TC Protocol and the agreement on public procurement are sent to:
  - Authorized body for keeping;
  - Ministry of Finance, for payment; and
  - EC and the supplier for implementation.

In general, actions of participants in procurement procedures comply with the normative acts attached.

#### **(m) Regulation of trade in transit**

The Customs Code of the Republic of Tajikistan, Article 35, states that transit of goods is a customs regime when goods under customs control move between two customs posts of the Republic of Tajikistan, in transit between territories of foreign states, with customs duty and tax exemption and economic policy measures not applied.

Transit of goods of overseas origin via the customs territory of the Republic of Tajikistan is performed without restrictions, except for cases specified by Resolution of the Government of the republic of Tajikistan "On Measures to Improve Foreign Economic Activities in the Republic of Tajikistan", No. 111, of 19 February 1997, as well as the "List of Goods, Works, and Services, the Export, Import, and Transit of which is Performed According to Decisions of the Government of the Republic of Tajikistan".

- Uranium and other radioactive substances, goods from them, technologies, appliances, equipment and plants and sources of radiation including radioactive waste.
- Gunpowder, explosives and their waste.
- Drugs and psychotropic and toxic substances.
- Arms and military equipment, spare parts for their production, works and services in the area of the military-technical cooperation.
- Regulatory-technical documentation for military production (engineering and operational).
- Service and civil weapons.

- Military uniforms, garments and other related things.
- Means of protection from poisonous substances, parts and accessories used in battles.
- Cryptographic devices (including cryptographic equipment, spare parts, cryptographic software), regulatory-technical documentation for cryptographic devices.
- Mineralogy and paleontology collection material.
- Works of art, collectables and antiques, which have significant artistic, historical, scientific and cultural value.
- Information about deposits of mineral resources and oilfields and their location on the territory of the Republic of Tajikistan (including charts, maps, drawings).
- Wild animals and birds included in the Red Book.

The "Agreement on Unified Transit Conditions via Territories of Customs Union Member-States" of 22 January 1998 is in effect within the framework of the Customs Union. This Agreement entered into force for the Republic of Tajikistan on 4 January 1999. The present Agreement defines principal goals and objectives, as well as principles of goods transit via customs territories of the member-states. The objective of the Agreement is to unify customs legislation, customs processing, transit goods control, elimination of barriers and restrictions in transit, and facilitation of transit trade development in the member-states.

Given significance of transit trade, particularly for our country, the Government of the Republic of Tajikistan issued the Resolution "On Approval of the Economic Cooperation Organization (ECO) Transit Trade Agreement", of 30 April 1996. Being an ECO member, including the ECO Transit Trade Agreement, the Republic of Tajikistan fulfils its international commitments. This Agreement relates to goods transportation with or without transfer of cargo, via one or more borders between the customs points of a member-country and the customs destination point of another member-country, being subject to jurisdiction of other ECO member-countries. The agreement covers transportation by road, rail, sea, and air, or their combination.

With purpose to implement conditions and to control realization of the ECO Transit Trade Agreement, ECO Transit Trade Committee has been established, which includes one representative from each member-country of the Agreement.

#### **4. Policies affecting foreign trade in agricultural products**

When exporting and importing animals, products of animal and vegetable origin, licence and phytosanitary certificates are required. Licenses are issued based on the present Regulation on licensing. For exported and imported goods, requirements of the international Veterinary Code (veterinary certificates), the Laws of the Republic of Tajikistan "On Veterinary Activities," "On Veterinary Charter of the Republic of Tajikistan," "On plants quarantine", should be observed within the country.

There are multiple examples of large losses, large damage to agriculture from animal diseases, infiltration and spread of hazardous organisms in the world practice.

Veterinary service and the State Inspectorate on Plants Quarantine are responsible for protection of the territory of the Republic of Tajikistan from animal diseases, bringing and spreading of extremely dangerous pests, phytopathogenic organisms and malicious weeds.

Sanitary measures applied in the country regarding import of goods of animal origin are implemented in compliance with Veterinary Code requirements.

The country conditions are favorable for export and import of animals, products of animal and plant origin provided that international norms, Codes and laws of the Republic of Tajikistan are observed.

Volume of agricultural output sales depends, first and foremost, on its quality.

In the country agricultural products meeting the world quality standards are: cotton fibre, fresh and dried apricots, fresh and dried grapes, lemons, pomegranates, karakul, especially of grey color of sheep of Hissar and Karakul breeds.

**(a) Imports**

Import of agricultural goods does not differ in any way from import of other goods. Agricultural import is regulated by general rules and procedures, which are described in Subsection "Import Regulation", Items a, b, g, and h. Additional restrictive measures, special import duties and taxes on agricultural products trade are not foreseen.

**(b) Exports**

There is no direct subsidizing of export of agricultural products in the Republic of Tajikistan. Agricultural production is government-supported. Expenditures on wheat seeds purchase are annually subsidized from the state budget. In 2001, a subsidy was equal to US\$425,000 and in 2002 – to US\$476,000.

Besides, indirect subsidizing i.e. financing of expenditures related to maintenance and repair of irrigation systems and improvement of land reclamation is being carried out. For these purposes in 2001 US\$1,888,000 was subsidized and in 2002 – US\$2,085,000.

Indebtedness of agricultural economic entities to the state in the sum of 2,257,137,000 rubls was also restructured based on the Decree of the Government of the Republic of Tajikistan. National Center of Privatization Support under the Government of the Republic of Tajikistan provided 1,530 entities with a lump sum grant totalling in US\$873,493.

**(c) Export prohibitions and restrictions**

There are no export prohibitions and restrictions for agricultural goods. General conditions and principles of trade in goods in the Republic of Tajikistan are applied.

**(d) Export credits, export credit guarantees or insurance programmes**

Currently, in the Republic of Tajikistan the practice of granting export credits and export credit guarantees is not used.

**(e) Internal policies**

As it was mentioned in the section Sectoral Priorities, Part II of the Memorandum, the Government of the Republic of Tajikistan takes gradual steps on development of agricultural production, and development of cotton-growing branch and grain crops production in particular.

Thus, in accordance with Article 7 of the law of the Republic of Tajikistan "On state budget of the Republic of Tajikistan for 2003" the tax rate for cotton sales was fixed at ten per cent. At the same time, effective 1 January 2003 delivery of cotton is exempt from VAT.

The Government of the Republic of Tajikistan greatly supports agriculture through distribution of technical and financial support of financial institutions and donor countries for the development of this branch. Particularly, during 2001-2002 the Government of Japan provided the Government of the Republic of Tajikistan with the grant in the amount of US\$24 million which was used for purchase of agricultural machinery, technological equipment and fertilizers.

## **5. Policies affecting foreign trade in other sectors**

### **(a) Textiles regime**

There are no restrictions and prohibitions related to textile trade. Textile trade is implemented based on general foreign trade principles and conditions.

### **(b) Policies affecting foreign trade in other major sectors**

In addition to the above-mentioned trading sectors in Sections "Import Regulation" and "Export Regulation", general procedures and conditions related to foreign trade regulations are applied in other trading sectors.

## **V. TRADE-RELATED INTELLECTUAL PROPERTY REGIME**

### **1. General**

#### **(a) Intellectual property policy**

Despite the political and economic difficulties faced by Tajikistan in the first few years of independence (much of the country's production infrastructure is in urgent need of repair and restoration after years of war damage) Tajikistan's IPR protection system aimed at achieving world standards.

Intellectual property is protected by Law according to Article 40 of the Constitution of the Republic of Tajikistan.

The policy of the Republic of Tajikistan in Intellectual Property can be represented by the following directions:

- improvement and further development of the legislative basis.

As far back as 1999, at the National Center for Patents and Information (NCPI) a team was created to examine and revise the IPR laws, administrative regulations and department rules relating to the implementation of the TRIPS Agreement and Tajikistan's accession commitments.

At present, the system of intellectual property protection continues to develop. At the stage of concordance and consideration by the Government of the Republic of Tajikistan are the Laws "On Procedures for Registration and Use of Firm Names", "On Inventions", "On Industrial Designs". The Patent Office is preparing a new version of the Law on "Trademarks and Service Marks".

A draft law "On Geographical Indications" is being worked out.

- establishment of the competent bodies at the executive authorities for intellectual property right enforcement;
- establishment of the court protection of intellectual property rights.

It is necessary to create patent courts. At present all disputes are considered by the Board of Appeals of the NCPI and, in case of need, by the Supreme Economic Court of the Republic of Tajikistan.

- increasing public awareness of intellectual property rights;

At the NCPI a chair on Intellectual Property is being created for teaching senior students of colleges and universities.

Starting from 1997, every two years NCPI holds a conference on "System of protection of Industrial Property in Tajikistan" and a competition for the best inventor; as a result, 5 Tajik inventors were awarded WIPO Gold medals.

**(b) Responsible agencies for policy formulation and implementation**

At present, different agencies are responsible for Intellectual Property Rights policy formulation and implementation, and among them are:

- National Center for Patents and Information within the Ministry of Economy and Trade, serves as a patent and trademark office. Among the main responsibilities of this Center is the protection of state interests in the areas of invention, industrial designs, trade mark and service marks and appellations of origin.
- Agency on Copyright and Related Rights within the Ministry of Culture is responsible for copyright and neighbouring rights policy making.
- State Commission on Plant Varieties within the Ministry of Agriculture is responsible for protection of plant varieties.
- State Agency on Antimonopoly Policy and Support of Entrepreneurship under the Government of the Republic of Tajikistan (set up in 2001). The Agency is responsible for implementation of the Law "On Competition and Restriction of Monopolistic Activity on Commodity Markets" which, in particular, prohibits the unauthorised use of trademarks, trade packaging and confidential business information.
- Ministry of State Revenues and Duties of the Republic of Tajikistan is responsible for special border measures.

Other Governmental agencies and organizations, such as the Supreme Economic Court, Ministry of Interior, also take part in intellectual property rights protection in Tajikistan.

**(c) Membership in international intellectual property conventions and of regional or bilateral agreements**

- International intellectual property conventions

In January 1994 the Republic of Tajikistan acceded to the World Intellectual Property Organization and, according to the Government Declaration, Tajikistan considers valid in its territory the following important international agreements on industrial property:

- Convention Establishing the World Intellectual Property Organization (WIPO);
- Paris Convention for the Protection of Industrial Property;
- Madrid Agreement Concerning the International Registration of Marks;
- Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks;
- Locarno Agreement Establishing an International Classification for Industrial Designs;
- Patent Cooperation Treaty (PCT);
- Strasbourg Agreement Concerning the International Patent Classification;
- Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure; and
- Nairobi Treaty on the Protection of the Olympic Symbol.

On 13 November 1998 the country adopted the Law on Copyrights, which passed an examination of WIPO and protects authors' rights in accordance with the international conventions.

Tajikistan is a member of the World Convention on Copyrights, and since March 2000 – a member of the Bern Convention on protection of works of literature and art. Tajikistan created the legislative framework in line with world standards.

Tajikistan is represented in the International Union for the Protection of New Varieties of Plants (UPOV).

- Membership in regional intellectual property conventions

In 1995 the Republic of Tajikistan ratified the Eurasian Patent Convention signed in Moscow on 9 September 1994.

The Eurasian Patent Convention has established an interstate system of invention protection on a basis of a common patent valid in the territories of all the Contracting states (Turkmenistan, Republic of Belarus, Republic of Tajikistan, Russian Federation, Republic of Kazakhstan, Republic of Azerbaijan, Kyrgyz Republic, Republic of Moldova, and Republic of Armenia).

At present, the following Agreements, signed and entered into force in the framework of the CIS:

- Agreement on Measures for Industrial Property Protection and on Creation of the Interstate Council on Industrial Property Protection Matters, dated 12 March 1993.
- Agreement on Cooperation on Suppression of Infringements in the Field of Intellectual Property, of 6 March 1998.
- Agreement on the Measures to Prevent the Use of False Trademarks and Geographical Indications, of 4 July 1998.
- Agreement on Mutual Security of Interstate Secrets in the Field of Industrial Property, of 4 June 1999.

- Bilateral agreements on intellectual property protection

Tajikistan has its intellectual property commitments under the 1993 U.S.-Tajikistan Trade Agreement.

In 2001 National Center for Patents and Information of the Republic of Tajikistan and Russian Agency on Patents and Trademarks (ROSPATENT) signed agreement on mutual cooperation.

**(d) Application of national and m.f.n. treatment to foreign nationals**

The legislation of the Republic of Tajikistan in the field of intellectual property as regards the application of intellectual property legislation to foreigners provides national treatment with respect to foreign nationals, and foreign legal entities provided such a treatment does not contradict provisions of other International Agreements to which the Republic of Tajikistan is a party.

However, there are some exceptions from the policy of the "national treatment" which are manifested as follows:

- In accordance with the industrial property legislation, foreign legal entities having permanent establishments in foreign countries or nationals having their domicile outside the Republic of Tajikistan (or their professional representatives) run proceedings

connected with registration of trademarks and patenting of inventions through the patent attorneys registered in the Patent Office of the Republic of Tajikistan.

- The temporary Regulations on State Patent Fees, approved by the Decree No. 533 of the Government of the Republic of Tajikistan on 28 November 1994, sets different methods of calculating the state fees envisaged by the current legislation in the field of industrial property, for natural and legal persons of the Republic of Tajikistan and for foreign natural and legal persons.

As regards the most favoured nation treatment, it is given to all foreign countries in the field of industrial property on equal basis.

**(e) Fees and taxes**

Fees are paid for legal actions on procedures from filing of applications to grant of protection documents (patents and certificates), for the renewal of the effect of patents and certificates, for registration of licence agreements, for lodging appeals before the Appeal Board of the NCPI. Fees and taxes are determined by the temporary Regulations on State Patent Fees, approved by the Decree No. 533 of the Government of the Republic of Tajikistan of 28 November 1994.

A list of the fees and taxes is represented in the tables below.

Fees for Patenting Inventions

Actions for which fees are charged	For nationals of RT, min salary	For foreign persons, US\$
Filing a patent application	0.2	50
Amendments on the volition of the applicant	0.1	10
Examination of an application as to substance	1.0	410 (a reduction of the fee by 20 and 50% is provided)
Changes in invention formula on the volition of the applicant	0.2	80
Publication of the application	0.8	200
Lodging an appeal before the Appeal Board:		
- against a decision of refusal as a result of examination as to form	0.3	60
- against a decision of refusal as a result of examination as to substance	0.8	400
Grant of a patent	0.8	200
Registration of a licence agreement	3.8	60

For the Maintenance of a Patent for Invention

Years	For nationals of RT, min salary	For foreign persons, US\$
3-4	0.2	50
5-6	0.3	80
7-8	0.4	100
9-10	0.5	150
11-12	0.9	230
13-14	1.2	300
15-16	1.5	400
17-18	1.5	400
19-20	2.0	500

Fees for Patenting Utility Models

Actions for which fees are charged	For national of RT, min salary	For foreign persons, US\$
Filing a utility model application	0.1	30
Amendments on the volition of the applicant	0.1	10
Publication of the application	0.8	200
Grant of a certificate for a utility model	0.8	200
Registration of a licence agreement	3.8	60

For the Maintenance of a Certificate of the Registration of a Utility Model

Years	For nationals of RT, min salary	For foreign persons, US\$
1-2	0.1	30
3	0.2	50
4-5	0.3	80

Fees for Patenting of an Industrial Design

Actions for which fees are charged	For nationals of RT, min salary	For foreign persons, US\$
Filing a patent application	0.2	30
Amendments on the volition of the applicant	0.1	20
Examination of an application as to substance	0.4	210 (a reduction of the fee by 20 and 50% is provided)
Lodging an appeal before the Appeal Board:		
- against a decision of refusal as a result of examination as to form	0.3	60
- against a decision of refusal as a result of examination as to substance	0.8	400
Grant of a patent for an industrial design	0.4	200
Registration of a licence agreement	3.8	60

For the Maintenance of a Patent for an Industrial Design

Years	For nationals of RT, min salary	For foreign persons, US\$
3-4	0.2	50
5-6	0.3	80
7-8	0.4	100
9-10	0.6	150

For Renewal of a Patent for an Industrial Design

Years	For nationals of RT, min salary	For foreign persons, US\$
1-2	0.6	150
3-5	0.8	200



Fees for the Registration of a Trademark and Service Mark

Actions for which fees are charged	For nationals of RT, min salary	For foreign persons, US\$
Filing application for registration	1.0	160
Lodging an appeal before the Appeal Board:		
- against a decision of refusal to accept an application	0.6	100
- against a decision of refusal to register a trademark	1.6	350
- against the registration of a trademark	3.2	650
- Registration of a trademark	1.6	250
Entry of amendments in the State Register	0.4	60
Registration of a licence agreement	7.6	120
Registration of an agreement on assignment of a certificate	12.6	100
Renewal of the registration	3.2	500

Fees For The Registration Of An Appellation of Origin and Grant the Right to use Them

Actions for which fees are charged	For nationals of RT, min salary	For foreign persons, US\$
Filing application for grant of a certificate	0.8	110
Lodging an appeal before the Appeal Board:		
- against a decision of refusal as a result of examination as to form	0.6	100
- against a decision of refusal to register an appellation of origin and grant the right to use them	1.6	350
- against a registration of an appellation of origin and grant the right to use them	3.2	650
Grant of a certificate of the right to use an appellation of origin	1.6	250
Entry of amendments in the State Registry	0.4	60
Renewal of a certificate of the right to use an appellation of origin	3.2	500

## 2. Substantive standards of protection

Article 40 of the Constitution of the Republic of Tajikistan states that intellectual property is protected by law.

This constitutional right is further elaborated in the Civil Code, adopted on 30 June 1999 (Part I.) and on 11 November 1999 (Part II.).

The articles of the Civil Code, concerning intellectual property, contain general public principles for the right on means of individualisation of the participants of trade, their goods, work and services.

The provisions of these articles are worked out in detail:

- In special laws – "on Trademarks and Service Marks", "on Plant Varieties", "on Copyright and Neighbouring Rights", etc.

- In Legislative acts, such as "Temporary Regulations on Inventions, Utility Models and Industrial Designs", "Temporary Regulations on Appellation of Origin and Grant of the Right to Use It", "Temporary Regulations on State Patent Fees", etc.

**(a) Copyrights and related rights**

- Intellectual property policy

Policy in the area of copyright and related rights aimed at creation of the legal regime which will provide the following:

- The best conditions for creative activity and forming of incentives for creation of highly artistic and scientifically valuable works of literature, science and art;
- The best conditions for international exchanges in the area of science, culture and education;
- Conformity with international standards in the area of copyright and related rights;
- Protection of copyright and related rights from all types of violations;
- Creation of effective procedures for protection of violated rights both of Tajikistan authors abroad and foreign authors in Tajikistan.

- Responsible agencies for policy formulation and implementation

The Agency on copyright and related rights of the Ministry of Culture of the Republic of Tajikistan is responsible for development and implementation of the policy in the area of copyright and related rights.

- Membership of international intellectual property conventions

The Republic of Tajikistan joined the following international conventions, multilateral and bilateral Agreements:

- The World Copyright Convention (confirmed in 1992);
- The Bern Convention on protection of works of literature and art (2000);
- The CIS Agreement on cooperation in suppression of violations of the law in the area of intellectual property (1998);
- Participation in the Joint working commission of the states – members of the CIS Agreement on cooperation in suppression of violations of the law in the area of intellectual property (20 June 2000);
- Participation in the CIS Interstate Council on intellectual property (23 November 2000); and
- Bilateral Agreements with the copyright organizations of the CIS member countries (Russian Federation, Moldova, Kazakhstan, Kyrgyz Republic, Uzbekistan).

- Application of national and MFN treatment to foreign nationals

Foreign copyright owners in protection of their works, performances, audio records (soundtracks), programmes of regular and cable broadcasting have the same regime as it is provided to the citizens of the Republic of Tajikistan.

- Fees and taxes

The registration fees for actions related to the official registration of literature, science and arts works.

Types of works	For nationals of the Republic of Tajikistan (in Somoni)	For foreign nationals (in US\$)
Fiction, scientific-technical and political literature, textbooks, etc.	3-9	50
Musical compositions in notation form	4-12	70
Graphics	4-12	100
Calendars, crosswords, etc.	2-6	50
Audiovisual works	4-12	70
Software and database	5-15	100

- Substantive Standards of Protection, Including Procedures For the Acquisition and Maintenance of Intellectual Property Rights

The following legal acts adopted in the Republic of Tajikistan are about the copyright and related rights:

- The Law "On Copyright and related rights " of 13 November 1999;
- The Decree of the Government of the Republic of Tajikistan "On minimal rates of royalties for publishing of works of science, literature, and art and execution of orders for creation of drama, music, musical-dramatic and literary works for public performance or for a right of the first public performance of non-published works (1 July 1999 No. 251);
- The Decree of the Government of the Republic of Tajikistan "On minimal rates of royalties for public performance of works of literature and art, reproduction of works in sound (mechanical) record and distribution of copies of audio records and audiovisual works and reproduction of works of fine arts and industrial copying of works of arts and crafts (1 July 1999 No. 252);
- The Decree of the Government of the Republic of Tajikistan "On minimal rates of royalties for graphics and photographic works for press (4 February 2002 No. 37);
- Article 156 "Violation of copyright, related rights and rights of patent owners" of the Criminal Code of the Republic of Tajikistan and also the Article 294 "Fraud of consumers" which could be used for protection of intellectual property rights.

Amendments to the Administrative Code of the Republic of Tajikistan aimed at fight against piracy (Article 158<sup>2</sup>): "Sale, rent or any other illegal use in commercial purposes copies of works or audio records (soundtracks)," and also Articles 164<sup>1</sup> and 165<sup>1</sup>, which could be used for protection of intellectual property rights; The Law of the Republic of Tajikistan "On copyright and related rights" determines the following:

- Area covered by copyright

The copyright covers the works:

- Whose authors are citizens or permanent residents of the Republic of Tajikistan;
- For the first time published on the territory of the Republic of Tajikistan (including works published for the first time in the Republic of Tajikistan during 30 days after the date of the first time publishing in another state) or not published but present in objective form on the territory of the Republic of Tajikistan regardless of citizenship and permanent residency of their authors;
- Which are protected on the territory of the Republic of Tajikistan in accordance with international agreements signed by the Republic of Tajikistan.

- Area covered by related rights

Regulations of the Law of the Republic of Tajikistan "On copyright and related rights" are applied to:

- Performers who are citizens of the Republic of Tajikistan;
- Performers who are not citizens of the Republic of Tajikistan but their performances:
  - for the first time were held on the territory of the Republic of Tajikistan;
  - recorded on audio which is protected in accordance with the current Law;
  - not recorded on audio but included into the program of regular of cable broadcasting protected in accordance with the current Law.

Provisions of the Law of the Republic of Tajikistan "On copyright and related rights" are applied to:

- audio records which producer is a citizen of the Republic of Tajikistan or a legal person officially located on the territory of the Republic of Tajikistan;
- audio records which producer is not a citizen of the Republic of Tajikistan or a legal person officially located on the territory of the Republic of Tajikistan but which for the first time published on the territory of the Republic of Tajikistan or published on the territory of the Republic of Tajikistan during 30 days since the first publication in another state. For origin and execution of copyright and related rights no formality required to be observed.

The author of the work has the following personal non-property rights:

- the right to be recognized as the author of a work created by him/her (authorship right);
- the right to use or permit to use a work under the real name of the author, under the pseudonym or without a name, i.e. anonymously (name right);
- the right to publish or permit to publish the work in any form (publishing right) including the right to recall;
- the right to protect the work including its name from any distortion or other infringement which could affect the honour and dignity of the author (right to protect an author's reputation); and
- the right to inviolability of the work.

The author of the work has the following *property rights*:

- to reproduce the work (right to reproduction);
- to distribute copies of the work by any way: to sell, to rent, etc. (right to distribution);
- to import copies of the work for distribution including copies made with permission of the exclusive author's rights (right to import);
- to publicly show the work (right to public show);
- to publicly perform the work (right to public performance);
- to communicate the work (including showing, performing or broadcasting) for general information via broadcasting and/or further broadcasting (right to broadcast);
- to communicate the work (including showing, performing or broadcasting) for general information via cable, wires or with help of other similar means (right to communication via cable);
- to translate the work (right to translate); and
- to redo, arrange or revise the work by other way (right to revising).

Exclusive rights of the author to use designer, architecture, town-planning and gardening projects also include practical realization of these projects. The author of the accepted architecture project has the right to demand from the customer to give him/her the right to participate in realization of the project during preparation of documentation for construction and construction of building if it is not foreseen in the contract.

If copies of legally published work put into circulation through their sale then their further distribution is allowed without the consent of the author or other copyright owner and without payment of royalty. In this case concerning audiovisual works, software, databases, musical pieces in note form and works recorded on audio (soundtrack) authors and other copyright owners have the right of renting originals or copies of these works regardless of belonging of the copyright on originals or copies for rent.

The rate and the order of calculation of royalty for each type of use of the work by other persons are determined in the author's contract as well as in contracts made by organizations managing the property rights of authors on collective basis with users.

The period of validity of copyright and related rights:

- The copyright is valid during the life of the author, inherited and is valid during 50 years since the death of the author.
- The authorship right, the rights to name and to author's reputation protection are protected indefinitely.
- The copyright on the work published for the first time during 30 years after the death of the author is valid during 50 years after its lawful publishing.

The performer concerning its performance or production has the following exclusive rights:

- the right to name;
- the right to protection of performance or production from any kind of distortion or other infringement which could affect the honour and dignity of the author; and
- the right to use performance or production in any form including the right to receive royalty for each type of use of performance or production.

Exclusive right to use performance or production means the right to execute or to allow execution of the following actions:

- to broadcast or communicate performance or production for general information via cable if the performance or production used for this type of program were not broadcasted earlier or are not carried out with use of recording;
- to record previously not recorded performance or production;
- to reproduce the recording of performance or production;
- to broadcast or via cable the recording of performance or production if initially this recording was produced not for commercial purposes; and
- to rent published for commercial purposes audio recording (soundtrack) which includes performance or production with participation of the performer. This right at the signing of the contract for audio recording of performance or production is passed to the producer of the audio recording and the performer keeps the right to royalty for rent of copies of this audio recording.

The producer of the audio recording concerning his/her audio recording has exclusive rights:

- to reproduce the audio recording;

- to redo or by any other way revise the audio recording;
- to distribute copies of the audio recording, i.e. to sell, to rent, etc.; and
- to import copies of the audio recording for distribution including copies made with permission of the producer of this audio recording.

If copies of the lawfully published audio recording are in circulation through their sale, then their further distribution is allowed without the consent of the producer of the audio recording and without payment of royalty. At the same time, the producer of the audio recording regardless of the ownership right on copies of the audio recording keeps the right to distribution of the copies of the audio recording through renting.

Organizations of air and cable broadcasting concerning their programmes have the following exclusive rights:

- to put simultaneously on the air or via cable their program of other broadcasting organization;
- to communicate the program for general information via cable or on the air;
- to record the program;
- to reproduce recording of the program; and
- to communicate the program for general information in places with paid entrance.

The period of validity of related rights: Related rights concerning the performer are valid during 50 years since the first performance.

The rights of performer to name and protection of performance from any distortion or other infringement are protected indefinitely and not inherited.

Related rights concerning the producer of the audio recording are valid during 50 years since the first publishing of the audio recording or during 50 years since its first recording if the audio recording was not published during this time.

Related rights concerning the broadcasting organization are valid during 50 years since the first broadcasting of the program by the organization. Related rights concerning the organization of cable casting are valid during 50 years since the first cable casting of the program by the organization.

- Obtaining and transfer of property rights

The property rights can be conceded or transferred in full or in part only on exclusive or non-exclusive basis (exclusive or non-exclusive licence) according to the author's contract.

The following should be foreseen in the Author's contract: ways of use of the work (concrete rights transferred in accordance to the contract); the period and the territory to which the right is given; amount of royalty and/or the order of determining the amount of royalty for each way of use of the work, the order and period of pay.

In case of the absence of the term about the period of transferring rights in the Author's contract, the contract can be cancelled by the author after the end of 5 years since the date of its signing if the user will be notified in writing about this decision 6 months before the cancellation of the contract. In the absence in the Author's contract of the term about the territory to which the rights will be given, the force of the right given according to the contract will be limited by the territory of the Republic of Tajikistan.

All rights to use the work not transferred directly in accordance with the Author's contract are considered not transferred. Rights of use of works not known to the moment of signing of contract cannot be the subject of the Author's contract.

The royalty is determined in the Author's contract as the interest from the profit made from the appropriate way of use of the work or in the form of fixed amount if it is not possible to do due to the character of the work or peculiarities of its use or by any other way but not less than minimal amount of royalty.

Minimal amount of royalty is determined by the Government of the Republic of Tajikistan and is indexed simultaneously with indexation of the minimal wage.

If the royalty is determined as a fixed sum in the Author's contract about publishing or other reproduction of the work then the maximal circulation of the work should be set in the contract.

The rights transferred according to the Author's contract can be transferred to other persons only in case and the scope directly foreseen in the Author's contract.

All rights to use the work not transferred in accordance with the Author's contract are protected by the author. Rights to use the work which the author can create in the future cannot be a subject of the Author's contract. Terms of the Author's contract limiting the author in creation of works on the concrete subject or in the concrete area in the future are not valid. Terms of the Author's contract contradicting the regulations of the Law of the Republic of Tajikistan are not valid.

The Author's contract should be done in written form. The Author's contract about the use of the work in periodic press can be done in oral form.

At sale and providing access to the software for mass users the contract is considered done in written form if its terms (terms of use of software) are stated as required on the software copies.

**(b) Trademarks**

Trademarks and service marks are registered according to the Law of the Republic of Tajikistan on Trademarks and Service marks of 23 December 1991.

Provisions of the Law are in accord with the TRIPS Agreement except for the following:

- According to Article 18 of the Law every trademark registration is published during a period of six months counted from the date of registering of a trademark in the Register (Article 15 of the TRIPS Agreement requires publication of the trademark registration either before its registration, or immediately after it).
- Protection of well-known trademarks must be W by the Paris Convention, which is in force in the territory of the Republic of Tajikistan since 1994. However, at present the order of implementation of this requirement is not defined (body which establishes whether a trademark is well-known and criteria of establishing a trademark to be well-known).
- According to Article 24 of the Law registration of a trademark can be cancelled due to non-use during a period of five years counted from the date of registration or during a period of five years prior to filing a declaration by the interested person (Article 19.1 of the TRIPS Agreement stipulates an uninterrupted period of at least three years of non-use).
- The Law on Trademarks and Service Marks does not contain provisions mentioning compulsory licenses (Art. 21 of TRIPS prohibits compulsory licensing of trademarks).

**(c) Geographical indications**

At present the legislation concerning geographical indications is at the stage of development.

Registration of appellations of origin and issuing of certificates is carried out according to the Temporary Regulations of the Republic of Tajikistan on Appellation of Origin and Grant of the Right to Use It.

Provisions of Article 23 of the TRIPS Agreement, providing additional protection for Geographical Indications for Wines and Spirits, are realized only for appellations of origins which are registered in accordance with established procedure before NCPI.

**(d) Industrial designs**

The Temporary Regulation on Invention, Utility Models and Industrial Designs (1994) provides protection for an industrial design if it is new, original and industrially applicable. (Art.6, Regulations), that is, there is an additional criteria of industrial applicability which is not required by the TRIPS Agreement.

The Temporary Regulation provides protection of industrial designs for a period of ten years counting from the date of priority and with a possibility for renewal for not more than five years.

Protection for textile designs (Art. 25.2, TRIPS) is provided by Article 6.7 of the Law of the Republic of Tajikistan on Copyright and Related Rights.

At present the draft of the Law of the Republic of Tajikistan on Industrial Designs is under consideration by the Government.

**(e) Patents**

The Temporary Regulations on Inventions, Utility Models and Industrial Designs provides protection of inventions for a period of 20 years counting from the date of priority and basically satisfies international requirements and requirements of the TRIPS Agreement.

The following is not deemed to be an invention: scientific theories and mathematical methods, rules and methods for doing business, layout designs of integrated circuits, plant or animal varieties, solutions contrary to public order or morality etc.

Article 26 of the draft Law of the Republic of Tajikistan on Inventions which was passed to the Government of Tajikistan for consideration will provide observance of the requirements of the TRIPS Agreement.

**(f) Plant variety protection**

Plant varieties are not patentable according to the Temporary Regulations on Inventions, Utility Models and Industrial Designs.

However, legal protection of plant varieties and animal breeds is realized on the basis of the Law on Plant Varieties by granting a patent. The right on plant varieties and animal breeds are acquired by filing an application with the State Commission on Plant Varieties within the Ministry of Agriculture.



**(g) Layout designs of integrated circuits**

At present, the legal protection of this object of industrial property is unavailable.

**(h) Requirements on undisclosed information**

Protection of closed information is provided in the legislation of the Republic of Tajikistan by institution of service and commercial secrets in accordance with Article 153 of the Civil Code of the Republic of Tajikistan, which imposes responsibility of WW who received information constituting service and commercial secrets.

Besides, Article 7 of the Law on "Competition and Restriction of Antimonopoly Activity on Commodity Markets" also restricts acquisition, use and disclosure of scientific and technical information, industrial or commercial information, including commercial secrets, without consent of its owner.

**(i) Any other categories of intellectual property**

Appellation of a legal person is determined at approval of its Statute and is subject to registration through inclusion into the Single State Register of legal persons (Article 51 of the Civil Code of the Republic of Tajikistan).

In accordance with Article 55 of the Civil Code of the Republic of Tajikistan, a legal person whose appellation is registered in accordance with established procedure shall have exclusive rights to its use. The same Article states that the registration procedure and use of appellations is defined by legislative acts.

The appellation of a legal person contains indication of its legal-organizational form and a special (distinctive) part. However, none of legislative acts including the Civil Code of the Republic of Tajikistan regulates creation of the appellation in its special (distinctive) part. This can create a situation when similar appellation registered as indication of legal persons without conducting expertise on identity and similarity can mislead consumers. In turn, it can bring to the situation when an entrepreneur will suffer material and moral damage from a loss of customers and lower quality of goods and services provided by the competing company.

In this regard, it is necessary to legally define minimal provisions on protection, i.e. to determine grounds for protection (registration in accordance with established procedure and/or use; in case of two grounds for protection, it is necessary to determine their correlation), as well as determine scope of protection, i.e. authority of an owner of a right to appellation.

**3. Measures to control abuse of intellectual property rights**

Abuse of intellectual property rights is controlled by means of compulsory licensing and by the right to prohibit unfair competition.

Article 10 of the Temporary Regulations on Inventions, Utility Model and Industrial Designs obliges a patent holder to use an invention, utility model or industrial design and in case of non-use or insufficient use of an invention or an industrial design during five year period, and of utility model during four year period from the date of publication of the grant of patent, any person willing and ready to use the protected object (if a patent owner refuses to conclude a licence agreement with the person) has the right to resort to court and to request grant of a compulsory licence.

Such licence is granted under condition that the patent holder can not prove the fact that non-use or insufficient use was due to valid reasons.

According to Article 24 of the Law on Trademarks and Service Marks the registration of a trademark can be cancelled by the court decision made upon a declaration of an interested legal entity or a natural person in connection with uninterrupted period of five years of non-use of the trademark counted from the registration date or from the date of filing such declaration.

The Law of the Republic of Tajikistan "On Competition and Restriction of Antimonopoly Activity on Commodity Markets" prohibits the use of a trademark, firm name or stamping, and also copying of package, wrapping or external decoration of goods of other business entities (Art. 7 Types of unfair competition).

The Agency on copyright and related rights of the Ministry of Culture issues licenses to users for appropriate ways of use of objects of copyright and related rights. It also has the following functions:

- Coordinates with users the amount of royalty and other terms for issuing licenses;
- Issues licenses to users for use of objects of copyright and related rights with the consent of the copyright owner;
- Collects, distributes and pays all types of royalty; and
- Performs all kind of legal actions necessary to protection of copyright and related rights.

#### **4. Enforcement**

##### **(a) Civil judicial procedures and remedies**

Some measures on enforcement of intellectual property rights are stipulated by the Civil Code. Article 11 provides for court protection of the rights recognized by the Civil Code and is implemented by the court in accordance with the category of cases established by the procedural legislation.

Article 12 provides modes of civil rights protection, including court order, demanding (i) compulsion to fulfill the duties, (ii) compensation of damages, (iii) punishment and other measures stipulated by the law. Article 15 specifies that the damages include direct and consequential losses, including WW as well as possibility to derive profit from the person violated the right. Compensation for the moral damage is provided by Article 171.

##### **(b) Provisional measures**

The legislation of the Republic of Tajikistan does not provide for the judicial authorities the authority to order prompt and effective provisional measures to prevent an infringement of any intellectual property right (in particular, the entry into the channels of commerce of goods, including imported goods immediately after customs clearance) and to preserve relevant evidence in regard to the alleged infringement.

##### **(c) Any administrative procedures and remedies**

According to Article 11 of the Civil Code protection of rights by administrative order may be practiced only in cases stipulated by the law and such decisions may be appealed by court. The Law on Trademarks and Service Marks and the Temporary Regulations on Inventions, Utility Models and Industrial Designs provides that questions concerning examination of different industrial property objects - inventions, utility models and industrial designs, trademarks and service marks are resolved by applying to the State Agency on Protection of Inventions and Registration of Trademarks and Service Marks (NCPI).

The State Agency on Antimonopoly Policy and Support of Entrepreneurship has the right by administrative order to resolve different questions connected with unfair business activity, including sale of goods (including food stuff and beverages with false labels) and counterfeiting of trademarks. The Agency acts as defined by the legislation on consumers' rights protection.

According to Article 9 of the Law on Competition and Restriction of Monopolistic Activity on Commodity Markets the State Agency on Antimonopoly Policy and Support of Entrepreneurship under the Government has the right to impose a fine on business subjects and official reprimands on their administration, citizens, including individual entrepreneurs and also on officials of governmental administrative bodies, local administrations, who practice unfair entrepreneurs activity, including sale, unauthorised use of trademarks, illegal use/disclosure of private information.

The following articles of the Administrative Code and the Criminal Code of the Republic of Tajikistan can be used in order to provide execution of the copyright and related rights:

- Article 158.2 of the Administrative Code of the Republic of Tajikistan "Sale, rent or other illegal use of copies of works or audio recording in commercial purposes":
  - Sale, rent or other illegal use of copies of works or audio recording in commercial purposes in cases if the copies of works or audio recording are counterfeited as defined by the legislation of the Republic of Tajikistan on copyright and related rights, or copies contain false information about their production and place of production and other information which can mislead consumers or if the sign of copyright or related rights protection written down by the owner of copyright or related rights was either wiped out or changed on copies of works or audio recordings, are subject to the fine of citizens equal to 10-20 minimal wages and officials – 20-30 minimal wages with confiscation of counterfeited copies of works or audio recordings.

Second commission of actions during the year foreseen by the Part 1 of this Article, is subject to the fine of citizens equal to 20-30 minimal wages and officials – 40-50 minimal wages with confiscation of counterfeited copies of works or audio recordings.

Besides fines, Article 18 of the Law on Competition and Restriction of Monopolistic Activity on Commodity Markets anticipates that in case if governmental administrative bodies, local administrations, state antimonopoly body adopted any act in violation of the antimonopoly legislation or non-execution or not appropriate execution by the mentioned bodies of their responsibilities or if these actions incur damage to the economic entity or any other person, these damages should be repaired in accordance with the civil legislation. In case when action (lack of action) of the economic entities violating the antimonopoly legislation incurs damages to the economic entity, the damage should be paid by the violators in accordance with the civil legislation.

**(d) Any special border measures**

On 30 April 2002, the Government of the Republic of Tajikistan approved resolution No. 185 "On approving the decision on Regulations for Customs Control of Transfer Across the Customs Border of Goods Containing Intellectual Property Objects".

According to these regulations the importation to the Republic of Tajikistan and exportation from the Republic of certain goods may be prohibited to provide the property rights for the objects of intellectual property.

**(e) Criminal procedures**

The Criminal Code of the Republic of Tajikistan (in editions of Laws of the Republic of Tajikistan of 13 November 1998 No. 684 and of 10 December 1999 No. 877) contains provisions defining punishment for infringement of copyright and rights of patent holders (Art. 156), unauthorised access to computer information (Art. 298), unauthorised acquisition of computer information (Art. 301), unauthorised use of a trademark or a firm name (Art. 275), unauthorised obtaining of information which constitute a commercial or bank secret (Art. 277), for disclosure of a commercial or bank secret (Art. 278), unfair competition and the deception of consumers (Art. 294).

**5. Laws, decrees, regulations and other legal acts relating to the above**

- Civil Code of the Republic of Tajikistan (Part I.) dated 30 June 1999. (Part II.) of 11 November 1999.
- Criminal Code of the Republic of Tajikistan of 21 May 1998.
- The Law of the Republic of Tajikistan on Science and State Scientific and Technical Policy of 21 May 1998.
- Law on the Press and Other Media of the Republic of Tajikistan of 14 December 1990.
- The Law of the Republic of Tajikistan on Trademarks and Service Marks of 23 December 1991.
- Law on Competition and Restriction of Antimonopoly Activity on Commodity Markets of 29 November 2000.
- Law on Consumers' Right Protection of 15 May 1997.
- Declaration of the Government of the Republic of Tajikistan Concerning International Agreements in the Field of Industrial Property of January 1994.
- Temporary Regulations on Inventions, Utility Models and Industrial Designs, approved by the Chairman of the Council of Ministers of February 1994.
- Temporary Regulations on Appellation of Origin and Grant of the Right to Use It, approved by Decree of the Government of the Republic of Tajikistan on 20 February 1995.
- Temporary Statute on the Appeal Board approved by the director of the National Center for Patents and Information, dated 24 May 1996.
- Statute on Patent Attorneys of 23 May 1996.
- Temporary Statute of State Patent Fees, approved by the Decree No. 533 of the Supreme Council of Ministers of the Republic of Tajikistan of 28 November 1994.
- Act of Accession to the Eurasian Patent Convention of 12 August 1995.
- Law on Copyright and Related Rights of 13 November 1998.

**6. Statistical data on application for grants of intellectual property rights, as well as any statistical data on their enforcement**Applications for Patents for Invention

	1993	1994	1995	1996	1997	1998	1999	2000	2001	Total
Applications filed	5	193	65	171	74	46	43	52	84	733
National applicants	5	24	35	30	23	37	38	45	83	320
Foreign applicants		169	30	141	51	9	5	7	1	413
Decisions to grant a patent	-	-	47	77	50	38	42	43	33	330

Applications for the Registration of Industrial Designs

	1993	1994	1995	1996	1997	1998	1999	2000	2001	Bcero
Applications filed	-	2	2	4	10	8	-	3	1	30
National applicants	-	-	-	-	3	2	-	-	-	5
Foreign applicants	-	2	2	4	7	6	-	3	1	25
Decisions to grant a patent	-	-	-	3	1	3	8	3	1	19

Application for the Registration of Utility Models

	1993	1994	1995	1996	1997	1998	1999	2000	2001	Total
Applications filed	-	-	-	1	1	2	-	7	7	18
national applicants	-	-	-	1	1	2	-	7	7	18
foreign applicants	-	-	-	-	-	-	-	-	-	-
Decisions to issue a certificate	-	-	-	-	1	1	-	3	11	16

Application for the Registration of Trademarks

	1993	1994	1995	1996	1997	1998	1999	2000	2001	Total
Applications filed	147	7,109	5,507	2,582	2,983	3,101	2,129	2,246	2,159	27,963
Under National system	147	2,270	1,050	468	546	464	396	378	311	6,030
domestic applicants	3	38	9	22	36	18	68	35	45	274
foreign applicants	144	2,232	1,041	446	510	446	328	343	266	5,490
Under Madrid Agreement	-	4,839	4,457	2,114	2,437	2,637	1,733	1,868	1,848	21,913
Trademarks registered	144	2,204	1,030	403	496	425	368	89	325	5,759
by domestic applicants	3	22	7	10	15	15	25	17	8	122
by foreign applicants	141	2,182	1,023	393	481	410	343	72	317	5,637

## VI. TRADE-RELATED SERVICES REGIME

### 1. General

In the Soviet time, the state was the main service provider. The role of private and non-governmental sectors was limited to a minimum. The state subsidized services. At the same time, many social services such as health and education services were provided for free. After gaining independence, types and quality of rendered services significantly changed. At the same time, the share of services in total GDP also changed and currently is equal to 37% of GDP. Today the services are characterized by significant cut-back of the role of the state and increase of services rendered by private and non-governmental sectors. At the same time, the health and education are financed from the state budget.

## 2. Policies affecting trade in services

### (a) Government departments, agencies, professional associations or other bodies with authority or a role relevant to the conduct of service activities

The principal goal of the state in services is full satisfaction of consumer needs, protection of their rights and interests, life and health, and also ensuring honest competition of service providers. The state achieves these goals through the regulation of services market via licensing of a number of operations on the services market. The regulation system in Tajikistan is equally applied to both local and foreign service providers. The application of the national regime with respect to foreign service providers eliminates their discrimination.

Types of services requiring mandatory licensing are determined by the state. The Government also determines state bodies authorized to issue licenses. Currently the following ministries and agencies are dealing with providing and licensing of services in the Republic of Tajikistan:

- Ministry of Economy and Trade;
- Ministry of Finance;
- Ministry of Transport;
- Ministry of Energy;
- Ministry of Health;
- Ministry of Education;
- Ministry of Communications;
- Ministry of Justice;
- Ministry of Culture;
- Ministry of Agriculture;
- Ministry of Industry;
- Ministry of Water Resources;
- Ministry of Labour and Social Protection;
- National Bank of Tajikistan;
- State Unitary Tourism Enterprise "Sayoh"; and
- Committee on Architecture and Construction, Government of the Republic of Tajikistan.

Type of Activity Requiring Licence	Responsible State Body
Searching for, exploring and exploiting mineral deposits.	The Main Geological Department within the President of the Republic of Tajikistan
Constructing dams on rivers and reservoirs.	Ministry of Energy, Ministry of Water Resources
Repairing hunting, sports and other arms; private detective and guard activities.	Ministry of Interior
Health care and veterinarian services.	Ministry of Health, Ministry of Agriculture
Producing and trading in medicines and pharmaceuticals; Producing perfumes, cosmetics and chemicals.	Ministry of Health
Legal services.	Ministry of Justice
Creation and maintenance of gaming establishments, and organization of games of chance.	Ministry of Interior
Production and showing of pornographic and erotic movies and video products.	The ban by Criminal code
Publication and/or trade in products with a pornographic and erotic content.	The ban by Criminal code
Tourism, excursion and alpine activity.	Ministry of Economy and Trade

Type of Activity Requiring Licence	Responsible State Body
Aviation transportation of passengers, baggage, mail, and goods; the conduct of aviation works; performing services connected with the take-off or landing of civil aircraft; performing technical services on aircraft or aviation equipment; offering civil aviation transportation services. Road transportation activity and services; services connected with such transportation; Freight forwarding services.	Ministry of Transportation
Passenger transportation activity and services within the city of Dushanbe.	Dushanbe Mayoral Administration
Town-planning services; architectural design of buildings and construction projects; implementation of construction and assembly works; certification testing of building materials and components; engineering examination of building components; services in the repairing, restoration, reconstruction and reinforcement of buildings and structures; control over the quality of works on architectural design, building materials, structures, goods and construction-assembly works.	Committee Architecture and Construction works within the Government of the Republic of Tajikistan
Banking and financial services.	National Bank of the Republic of Tajikistan, Ministry of Finance
Professional services rendered in connection with the purchase and sale of securities.	State Property committee, National Bank, Ministry of Finance
Pension fund services.	Ministry of Labour and Social Security
Dissemination of printed matters	Ministry of Communications
Educational services	Ministry of Education
Auditing services	Ministry of Finance, National Bank
Insurance services	"Tojiksughurta", "Gosstrakhnadzor"
Production of topographic and geodesic air photographs and cartographic works; geodesic engineering research.	"Tajikglavgeodeziya"
Trade in alcoholic products.	Corporation "Khurokvory"
Independent property appraisal services.	State Property Fund

Note: More detailed information concerning types of services and licensing requirements can be found in Annex 7 of the Memorandum.

**(b) Judicial, arbitral or administrative tribunals or procedures providing for the review of, or remedies in relation to, administrative decisions affecting trade in services**

In case of emergence of dispute between service providers and consumers with regard to conditions of trade in services, parties have the right to apply to legal, arbitral, or administrative bodies, or use administrative procedures, which affect trade in services.

A dispute may be considered by judicial, arbitral, administrative bodies or procedures can be used only in case if measures were taken by parties to settle a dispute in accordance with established order (to lay claim on the total damage, punitive sanctions, etc.).

Mechanisms and procedures of judicial, arbitral and administrative orders of dispute settlement are given in section 6 of Part III of the Memorandum.

- (c) **Provisions, including those in international agreements, concerning qualification requirements and procedures, technical standards and licensing and/or registration requirements for the supply of services**

Information is provided in Annex 7

- (d) **Provisions governing the existence and operation of monopolies or exclusive service suppliers**

- Law of the Republic of Tajikistan "On Natural Monopolies"; and
- Law of the Republic of Tajikistan "On Competition and Restrictions of Monopolistic Activities at Commodity Markets".

More details provided in section 2 of Part II "Competition Policy".

- (e) **Provisions relating to safeguard measures as they apply to trade in services**

By the Law of the Republic of Tajikistan "On state regulation of the foreign trade activity" of 3 September 1999 it is foreseen application of safeguard measures and quantitative restrictions related to imports of goods, services and works by the Government of the Republic of Tajikistan in exceptional cases.

However, until now such measures were not applied in the Republic of Tajikistan.

- (f) **Provisions relating to international transfers and payments for current transactions in services**

No restrictions.

- (g) **Provisions relating to capital transactions affecting the supply of services**

No restrictions.

- (h) **Provisions governing the procurement by governmental agencies of services**

Procurement of governmental organizations in services is regulated the same way as procurement in goods mentioned in section 3 of Part IV.

- (i) **Provisions concerning any form of aid, grant, domestic subsidy, tax incentive or promotion scheme affecting trade in services**

Foreign investors and enterprises having received foreign investment and operating in free trade zones may enjoy the following additional privileges, besides the rights and guarantees provided by the laws of the Republic of Tajikistan:

- a favorable tax regime: foreign investors and enterprises having received foreign investment pay lower taxes, including lower taxes on profits deposited abroad. These lower taxes may not be less than 50 per cent of the tax rates valid on the territory of the Republic of Tajikistan;
- a reduced leasing rate for land and other natural resources, and the right to rent on long terms and sublease properties which have been leased;
- a special custom regime, including decreased duties on the export and import of goods and less complicated rules for crossing the border; and
- less complicated entry-exit visa rules.



The terms and conditions of the privileges granted in the territory of free trade zones are decided by the Government and approved by the Majlisi Oli of the Republic of Tajikistan.<sup>20</sup>

**3. Market access and national treatment**

**(a) Limitations on the number of service suppliers**

No restrictions (regulated by the market).

**(b) Limitations on the total value of service transactions and assets**

In accordance with Article 23 of the Law of the Republic of Tajikistan No. 648 "On banks and banking activity" of 23 May 1998, the National Bank of Tajikistan can set the extent of participation of foreign capital in the banking system of Tajikistan. The legislation of the Republic of Tajikistan does not foresee any other restrictions.

**(c) Limitations on the total number of service operations or on the total quantity of service output**

No restrictions.

**(d) Limitations on the total number of natural persons that may be employed in a particular service sector**

In accordance with the Law of the Republic of Tajikistan "On foreign investment" it is foreseen that participation of nationals of the Republic of Tajikistan working at the enterprises with foreign investment should be mandatory and no less than 70 per cent of total number of employees.

In accordance with Article 54 of the Air Law of the Republic of Tajikistan of 13 November 1998, the number of foreign nationals in the managerial staff of an Aviation enterprise should not exceed one third of total number of the managerial staff.

The Law of the Republic of Tajikistan "On banks and banking activity" of 23 May 1998 foresees that managerial positions in foreign banks and branches operating on the territory of the Republic of Tajikistan can be held only by nationals of the Republic of Tajikistan. The legislation of the Republic of Tajikistan does not foresee any other restrictions.

**(e) Restrictions on, or requirements of specific types of legal entity through which a service may be supplied**

No restrictions.

**(f) Limitations on the participation of foreign capital**

In Article 54 of the Air Law of the Republic of Tajikistan No. 720 of 13 November 1998, it is foreseen that creation on the territory of the Republic of Tajikistan of aviation enterprise with participation of foreign capital is allowed on the condition that the share of foreign capital does not exceed 49 per cent of the statutory capital of the aviation enterprise.

The legislation of the Republic of Tajikistan does not foresee any other restrictions.

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<sup>20</sup> Article 39 of the Law of the Republic of Tajikistan "On Foreign Investment"

**(g) Measures providing for less than the treatment accorded to national services or service suppliers**

Foreign and national operators are treated equally.

**4. Most-favoured-nation treatment**

The Republic of Tajikistan uses most favoured nation regime in its trade with the CIS and non-CIS countries that have agreements with Tajikistan anticipating its application. This regime is granted in trade-economic cooperation. However, the regime does not cover privileges and benefits granted by the Republic of Tajikistan to the third countries based on their participation in a customs union or free-trade zone, in regional unions and associations with Tajikistan and also to the neighbouring countries in order to develop the border trade.

- Legal services

Fundamentals of legal assistance in the Republic of Tajikistan are defined by the Constitution of the Republic of Tajikistan, the Law "On Advocacy", Decrees of the Majlisi Oli of the Republic of Tajikistan, Decrees of the President of the Republic of Tajikistan and other legislative acts of the Republic of Tajikistan.

Issues related to advocacy activity not regulated by the above-mentioned law and other legislative acts of the Republic of Tajikistan are regulated by the Statute of the Board of Attorneys.

Full powers of an attorney for rendering legal assistance as a representative in the Constitutional Court and other courts on criminal, civil, and economic cases on administrative offences, etc. are defined by the related procedural legislation of the Republic of Tajikistan.

Physical or legal persons cannot be left without legal assistance. The state guarantees real and equal access to legal assistance to all people including foreigners who live or are on the territory of Tajikistan. The state determines cases in the law when legal assistance should be rendered free of charge. The state guarantees necessary funding to provide needy people with legal assistance and also to cover expenses related to legal assistance rendered free of charge in accordance with the law.

Types of legal assistance rendered by attorneys include the following:

- Advice and explanation, oral and written inquiry on legal issues;
- Drafting of complaints, petitions, claims and other legal documents;
- Enquiring, gathering information and preparing materials for consideration and resolution in due order;
- Representing in civil cases, administrative offence cases, etc.;
- Participation in criminal proceedings, in economic disputes, and as defenders or other representatives in the Constitutional Court; and
- Other ways of rendering assistance not contradictory to current legislation.

Legal assistance by professional lawyers who are not members of the Board of Attorneys is rendered based on their licence. Ministry of Justice of the Republic of Tajikistan issues licenses to provide legal assistance as an attorney based on the order set by the Government of the Republic of Tajikistan. Everyone who claims a licence of an attorney should personally submit the application form, documents confirming citizenship of the Republic of Tajikistan, legal education and length of service as a lawyer not less than two years and pass a qualifying examination in the Ministry of Justice of the Republic of Tajikistan. Person who meets requirements of the constitutional law "On Advocacy" and who passed a qualifying examination cannot be denied a licence. The issue of an attorney licence usually takes about one month since the moment of applying.

The order and a size of payment for a licence are determined by the Ministry of Justice of the Republic of Tajikistan in coordination with the Ministry of Finance of the Republic of Tajikistan. In case of denial of licence, the Ministry of Justice of the Republic of Tajikistan should inform an applicant in writing and explain reasons. The decision made or non-consideration of a claim can be appealed in the Supreme Court of the Republic of Tajikistan.

It is necessary to mention that most of the lawyers are on civil service in the state bodies, work on a contract basis in different enterprises, organizations and public offices of the country and provide legal support to all branches of economy and public relations.

- Postal and telecommunication services

The Ministry of Communications of the Republic of Tajikistan is a state administrative body responsible for development and implementation of the state policy in the field of communications, postal services, and information technology, as well technological policy in radio and TV broadcasting and their state and development.

Starting from 1996, in accordance with economic reforms in the Republic of Tajikistan, the Ministry of Communications has institutionally and structurally been adjusted. The following services were singled out and have been functioning independently:

- Open Type Joint Stock Company "Tajiktelekom" (95 per cent shares belong to the State and five per cent - to labour collectives) – in communications;
- State Department "Pochtai Tojikiston" – in postal services;
- Open Type Joint Stock Company "Tajikradiokom" (95 per cent shares belong to the State and five per cent - to labour collectives) – in radio and TV broadcasting;

The activity of enterprises and organizations providing communications services are regulated by the Laws of the Republic of Tajikistan "On Communications," (with regard to postal services) and "On telecommunications", Regulation of the Ministry of Communications of the Republic of Tajikistan, and other regulatory acts. Currently, the draft of the new law of the Republic of Tajikistan "On postal service" is developed and should be considered and approved by the Government of the Republic of Tajikistan by the end of 2002.

The Open Type Joint Stock Company "Tajiktelekom" of the Ministry of Communications of the Republic of Tajikistan is the national operator to provide communications services in the Republic of Tajikistan. Telephone, telegraph and wire broadcasting services are provided on rates approved by the Ministry of Communications of the Republic of Tajikistan in accordance with the Law "On Telecommunications" and are regulated by the Government of the Republic of Tajikistan with regards to general communications services (beginning 31 December 2003 - by the authorized body of the Republic of Tajikistan on regulation of communication).

On the telecommunications market of the Republic of Tajikistan three companies provide cellular radiophone services of GSM 900/1800 standard, one—of AMPS standard. Five companies provide telematic services (including Internet, E-mail, IP-telephony). The companies received licenses from the Ministry of Communications for these activities. Two companies provide trunking services.

Assisted by international consultants, the preparatory work is being undertaken to radically restructure the communications sector institutionally, to identify the sector policy aiming at complete liberalization of all communications services market segments, to set up the competitive environment, and to privatize traditional communications operators in the future (liberalization of international communication services from 31 December 2006).

The Open Type Joint Stock Company "Tajikradiokom" of the Ministry of Communications of the Republic of Tajikistan provides services to broadcast and relay TV and radio programmes both on the territory of Tajikistan and abroad. National TV and radio programmes are broadcasted on the rates regulated by the Government of the Republic of Tajikistan in accordance with established procedure (beginning December 31, 2003—by the authorized body of the Republic of Tajikistan on regulation of communication).

TV and radio programmes of other countries on the territory of Tajikistan are broadcasted and relayed based on relevant agreements and rates agreed. Besides, there are 20 private TV companies as well as 2 independent FM radio stations functioning in the Republic of Tajikistan.

The national operator providing postal services in the Republic of Tajikistan is the State Department "Pochtai Tojikiston". The sub-branch "postal service" is the infrastructure sector which provides acceptance, processing, sending, and delivery of postal messages, including written correspondence (ordinary and ordered), small packages, parcels, money transfers, regular newspapers and magazines both inside the country and with the CIS and non-CIS countries. In order to improve and develop services related to money transfers 2 offices for transferring and receiving money from abroad were established on cooperation with international company "Western Union".

In the Republic of Tajikistan all kind of communications services are regulated through licensing. The licensing objectives are to create conditions for communications development, to regulate services in communications, to protect consumers' interests by limiting rates (tariffs) for communications services, and to create competition among communications operators.

- Postal services:
  - Periodical press (newspapers, magazines);
  - Written correspondence (ordinary, registered);
  - Parcels; and
  - Money transfers.
- Courier services

There are subdivisions of special and courier communication (National Center of special communication and State courier service) in the Ministry of Communications. These subdivisions provide services to state administrative bodies, ministries, institutions, enterprises and organizations on the territory of the Republic of Tajikistan and deliver letters and special mail via couriers.

- Telecommunications, audiovisual, and other services:
  - Local telephone services;
  - Intra-zone telephone services;
  - Intercity and international phone services;
  - Services to provide for use channels and communications tracts;
  - Telegraph services;
  - Data transfer services;
  - Telematic services (Internet, e-mail, IP-telephony, fax, teletext, videotext, audio conference, video conference, etc);
  - Mobile radiophone services;
  - Cellular radiophone services;
  - Personal global satellite services;
  - Personal radio call services;
  - Personal radio call services with dense channels of UHF FM network;

- Radio and television broadcasting services;
- Fixed radio connection services;
- Services to provide lease of satellite, radio-relay, and radio connection channels;
- Production, construction, instalment of networks, systems and devices of telecommunications and radio communications, TV and radio broadcasting, postal services
- Supply, startup, and maintenance of mini telephone exchanges;
- Sales of cellular phone receivers and accessories; and
- Sales of radio-electronic means (radio stations, satellite phones, ground stations, radio modems, etc.).

Tariffs for communications services of jurisdictional enterprises are determined by the Ministry of Communications of the Republic of Tajikistan, as well as by communications services enterprises in the context of nomenclature of services determined by the Ministry of Communications. Tariffs for telecommunications and postal services are agreed with the Agency on Antimonopoly Policy and Entrepreneurship Support under the Government of the Republic of Tajikistan, the state body regulating activities of natural monopolies. According to the law of the Republic of Tajikistan "On telecommunications" of 22 May 2002, beginning 31 December 2003 regulation of rates will be responsibility of the authorized body of the Republic of Tajikistan on regulation of communication.

- Health services

The Constitution of the Republic of Tajikistan guarantees a right to health care. The law of the Republic of Tajikistan No. 419 "On health protection of population" of 15 May 1997 determines competence and responsibility of state bodies and their subdivisions in this issue.

In accordance with the legislation of the Republic of Tajikistan, state executive bodies are responsible for administration of the health care in the country.

The Ministry of Health of the Republic of Tajikistan administers health care in the country, activity of country's agencies, research-scientific and educational institutions of the state health care system, analyses the state of health care, develops its policy and strategy, together with executive bodies on the spots coordinates and controls activity of the health care system over quality of medico-sanitary, medicinal assistance to departmental institutions, private health care institutions and is responsible for development of the health care.

According to the law of the Republic of Tajikistan "On health care of population", a right to be engaged in medical or pharmaceutical activity in the Republic of Tajikistan have persons possessing higher or secondary medical or pharmaceutical education and in certain types of activity approved by the Ministry of Health of the Republic of Tajikistan –also a certificate of specialist and a licence.

The private system of health care consists of medical-preventive, pharmaceutical, research-scientific, and educational institutions established and funded by private companies, institutions and organizations, public associations and also individuals.

The right to private medical practice has a person possessing diplomas on higher or special medical education and not less than the highest qualification category in the relevant area and also a certificate of specialist and a licence for the selected type of activity. The licence for the private medical practice is issued in the order established by the Government of the Republic of Tajikistan. Prohibition on private medical practice can be imposed by the decision of the body which issued a licence for a private medical practice or a court.

The law of the Republic of Tajikistan No. 39 "On medicines and pharmaceutical activity" of 6 August 2001 regulates relations in the area of medicines and pharmaceutical activity which are implemented through the following:

- State registration of medicines;
  - Licensing of pharmaceutical activity;
  - Attestation and certification of specialists in the area of pharmaceutical activity; and
  - State control over production, quality, effectiveness and safety of medicines.
- Education services

Educational system in the Republic of Tajikistan is regulated by the law of the Republic of Tajikistan "On education" of 27 December 1993.

Main principles of the state policy in the area of education are the following:

- Providing mandatory basic general education, availability for all of secondary general or initial vocational education and competitive basis of other levels of education;
- Free secondary general and higher professional education (first professional degree) of each level in state or private educational institution.

In accordance with the Constitution of the Republic of Tajikistan, the single system of continuous education is functioning in the country, which provides citizens with comprehensive, professional and special education, and training's and re-training's of specialists. The following institutions are educational:

- Preschool;
- General;
- Specialized educational institutions;
- Adult education;
- Vocational (primary, secondary special, higher, apprenticeship complexes, etc.); and
- Institutions of additional education and educational services.

Educational institutions can be:

- Public and non-public;
- Fee-paying and free; and
- Commercial and non-commercial.

There are 3,642 schools providing compulsory education, of which 660 are primary schools, 835 - nine-year schools, 2,018 - comprehensive education schools, 117 – grammar schools and lyceums, 11 - schools for handicapped children, and seven - non-public schools. There are four non-public higher education institutions. All non-public (private) education institutions should obtain licenses from the Ministry of Education of the Republic of Tajikistan.

A public or non-public education institution provides nine-year education mandatory for all citizens.

The Ministry of Education of the Republic of Tajikistan licenses services and activities in education. The Ministry, issues licenses for opening of educational institutions, changing their status and profile, issues letters of credit for opening of educational institutions, changing their status and profile, sets educational standards for all educational institutions. Besides, the Ministry sets some other mandatory requirements which should be obeyed by private educational institutions in order to

obtain a licence (i.e. requirements on financial situation of the institution, qualification of teachers, quantity of teachers, and their adequacy to financial resources).

There are no limitations and special requirements related to foreign participation in education activities.

Enrolment in the institutions of higher education as of the beginning of the school year:

	(in thousands)	
	2000/2001	2001/2002
Number of institutions of higher education	30*	30*
Students	77.700	84.200

\* including branches

Enrolment in the institutions of secondary education (except for vocational schools) as of beginning of school year:

	(in thousands)	
	2000/2001	2001/2002
Number of institutions of secondary vocational education	53*	50*
Students	25.300	23.800

\* including branches

Beside this, the Ministry of labour and social protection of population provides educational services in the field of early professional (vocational) education. At present the Ministry has 55 vocational and technical schools, 16 junior high schools, one higher educational college, one special vocational-technical school, one evening vocational school which at present educates 25,243 scholars in 160 professions. The duration of the education varies from one to three years and is state subsidized.

Also these establishments provide training and retraining services to the population in three training centers and 44 vocational schools, where annually 3,000 to 10,000 unemployed persons receive a professional education.

#### - Banking services

Laws of the Republic of Tajikistan "On the National Bank of Tajikistan," "On banks and banking activity," and "On foreign exchange regulation and control" serve as a legal basis for organization and activity of banking services market in the Republic of Tajikistan. Entities cooperating in this market have potential to freely satisfy all their financial needs. All services included in the nomenclature of banking and other financial services are covered by banking services.

In accordance with the Law of the Republic of Tajikistan "On Banks and Banking Activity," Article 2, banking services include the following activities:

- Savings of legal entities;
- Savings of individuals;
- Maintenance of accounts of clients, banks, and non-banking financial institutions, as well as coinage of banks;
- Treasury transactions, such as acceptance, counting, exchange, packing, storing of paper money and coinage;

- Transfers, fulfilment of orders of legal entities and individuals with regard to money transfers;
- Discount transactions: bill and other debentures discounting of legal entities and individuals;
- Credit transactions; granting credits;
- Provision of funds following orders of owners or authorized investment funds;
- Trust transactions; management of funds, securities for the benefit and following an instruction of the proxy;
- Legal transactions such as collection, examination, differentiation by type and approval of payments, as well as mutual payments and defining positions of clearing participants;
- Safe transactions, such as storing documents and valuables of clients, lease of safe boxes, apartments, etc.;
- Lombard transactions, granting short-term credits based on pledge of securities and liquidity property;
- Issuing checks;
- Collection orders, acceptance, payment and approval of payment documents, opening and approving commercial letters of credits;
- Issue of payment cards;
- Acceptance and sending paper money, coins and valuables; and
- Exchange transactions with a foreign currency.

Only the National Bank of the Republic of Tajikistan is entitled to issue licenses for other banks, legal entities, and individuals to perform the above-mentioned operations.

Due to lack of necessary demand, required material-technical capabilities, trained personnel and organizational structures of suppliers a number of banking services is not offered in practice.

Two-level banking system was established and functioning on the following basis:

- The National Bank of Tajikistan (NBT) is on the first level and is the central bank of the country. It is the central bank of issue, which also licenses, regulates and controls banking activity. The NBT sets rules, order, requirements and standards for offered banking and other financial services. The NBT issues licenses to banks and permits for banking operations and deals in national and foreign currencies. The NBT is also a financial agent and a banker of the Government providing it with the full range of banking and financial services.
- Thirteen banks and one branch of a foreign bank and three credit unions created on the basis of all types of ownership are on the second level. Predominant form—joint stock open-end and closed-end companies. One State Savings bank is functioning and also the state has shares of many commercial banks. Besides, one branch of foreign bank is functioning.

According to the law of the Republic of Tajikistan "On banks and banking activity" commercial banks have a right to provide full range of banking and financial services satisfying world banking practice. Minimal authorized capital equal to US\$3 million (as of 1 January 2003) and required organizational-technical and personnel capabilities are conditions for this.

Basically, commercial banks of the Republic of Tajikistan provide deposit and credit (financial) services, cash, accounting and transfer services, intermediation in securities and foreign currency sales in exchange and non-exchange markets for clientele and themselves, broking services on monetary market, and issuance of guarantees. These services are provided both in national and in foreign currencies.



The NBT is the main state body regulating banking services market. Laws of the Republic of Tajikistan "On the National Bank of Tajikistan," "On banks and banking activity," and "On foreign exchange regulation and control" give to the NBT full authority on licensing of activity of institutions providing banking services, on setting up economic standards and requirements to them, on creation of mechanism of payments, transfers and clearing, on organization of cash and cashless circulation, on monitoring activity of banking services providers, on their liquidation or recall of licenses and permits.

The NBT sets up general rules in this market without interference in operational activity of banking services providers—banks and non-banking financial institutions.

The main regulation mechanism is setting up of mandatory economic standards and application of direct administrative measures in extreme cases. Economic standards are the following:

- Minimal size of the authorized capital for newly created banks, minimal size of a net worth for active crediting institutions;
- Sufficient capital standard;
- Bank liquidity standard;
- Maximum size of a risk per borrower or a group of borrowers;
- Maximum size of a large credit risk;
- Standard of use of bank assets for purchasing shares of other legal persons;
- Maximum size of credits, guarantees provided by a bank to its participants (shareholders, stockholders) and insiders;
- Mandatory standards;
- Maximum size of non-liquid part of authorized capital; and
- Size of foreign exchange, interest rate and other types of risk are set up by the other regulatory acts of the National Bank of Tajikistan.

The Savings bank as well as the state is a shareholder in many commercial banks.

#### - Transport services

Transport complex of Tajikistan includes motor, air and railway transport and road facilities.

The following normative acts regulate the activity of transport in the Republic of Tajikistan:

- The Law of the Republic of Tajikistan "On transport"
- The Law of the Republic of Tajikistan "On certification of production and services"
- The Air Code of the Republic of Tajikistan
- The Statute of automobile roads of the Republic of Tajikistan
- The Statute of the railway transport of the Republic of Tajikistan
- The Regulation No. 485 of the Government of the Republic of Tajikistan of 29 December 2000 "On the Ministry of transport"
- The Regulation No. 252 of the Government of the Republic of Tajikistan of 11 June 2001 "On the transport inspectorate under the Ministry of transport of the Republic of Tajikistan".

Motor transport is the most widely used and delivers passengers and goods to practically all the regions of the Republic of Tajikistan.

Despite the fact that demand for passenger and cargo transport is much less than in 1992, transport agencies have such a number of vehicles, which considerably exceeds real demand (exceptions are buses and trolley buses).

The majority of buses and trucks were purchased in the Soviet time and have almost exceeded service period. According to an official estimate, only 45.5 per cent of public motor pool is in proper condition.

The motor transport branch was considerably denationalised and privatized. Currently, around 70 per cent of total motor pool is private vehicles, which is a natural outcome of privatization and entrepreneurial activity development in motor transport.

Such a radical transformation allowed not only to preserve motor transport of the country, but also served as impetus for its development. It is worth mentioning that urban passenger transportation has always been operating at a loss. Under created economic environment, it turned out to be attractive for private business.

Most transportation companies have the similar pool comprising of medium carrying capacity trucks. Currently they are in commercial demand. High is the demand in the market for dump trucks, vans, refrigerators, and motor tanks.

The share of small enterprises and individual entrepreneurs in goods turnover in transportation has considerably increased. They deliver a substantial portion of international and Intercity goods.

- Air transport

Dynamics of main indicators in air transport show a tendency that the flow of goods and passengers' traffic in 1991-2000 drastically decreased. Similar is the tendency with respect to goods and passengers' turnover in air transport. Thus, goods traffic in 2000 was 18 per cent compared to 1991, and passenger traffic – 10 per cent.

Aviation operations are performed by the State Company "Tojikiston" both inside and outside of the country. International flights are carried out from Dushanbe and Khujand. Currently, specifications of the airport in Kulob also allow landing large planes and performing international flights.

Tojikiston Air Company has 85 aircraft, out of which 41 were produced in the 1970-1980s.

Total length of airlines is 53.9 thousand km., out of which 28.4 thousand km. are within CIS countries, 3.5 thousand km. - local airlines, and 29.0 thousand km. - international lines to the non-CIS countries.

Tojikiston Air Company has flights to the United Arab Emirates, Pakistan, Syria, Turkey, India, Iran, several cities of Russia, Almay, and Bicker.

Taking into account rehabilitation of some local routes, it is expected that the average carriage distance per passenger will be decreased to some extent and stabilized.

Air transport does not play a substantial role in international goods conveyance. Agricultural aviation has almost stopped functioning. In 2000, aviation carried 2,000 tons of goods and performed 31.58 million ton-km., which is inconsiderable in total traffic and goods turnover of the transport complex.

The reasons for inconsiderable passenger conveyance are that income of the majority of population is extremely low compared to the average air tariff.

Currently, 37 per cent out of the total number of aircraft are in good-order and 59 per cent - helicopters. The average age of planes is more than 20 years. With the resource of 25 years, the aircraft pool deterioration in Tajikistan is more than 90 per cent. There is deficit of aircrafts complying with modern technical-economic standards. Renewal of the aircraft pool is practically stopped.

With purpose to reform air transport, it is planned to sale shares of Tojikiston State Air Company. Air space is being open to ensure competitiveness of the national air carrier in the international market.

- Railway transport

Railways in the Republic of Tajikistan are an important strategic part of the economy. Geographically, it consists of three sections: Northern section is in Sughd region, Central section – in Dushanbe, and Southern section - in Khatlon region. All three sections are isolated from each other. They are connected through the territory of other countries (Uzbekistan and Turkmenistan). Railways play a considerable role in transport infrastructure. Railways carry 90 per cent of all external goods. In 2000, goods turnover by railway out of total goods turnover by all kinds of transport in the Republic of Tajikistan was 56.3 per cent, and out of total goods traffic five per cent.

As of 1 January 2001, the freight car pool was 2,015 units, of which 442 were roofed cars, 234 - platforms, 522 – un-roofed cars, 106 - tanks, 212 - isothermal cars, and 499 - other cars. The standard service period for such cars is 32 years. As of 1 January 2001, the average age of these cars is 23 years, out of which one third is not usable.

The similar situation is with the passenger car pool. As of 1 January 2001, the total passenger car pool was 300 units, out of which 139 are compartment cars, 117 - ordinary cars, 10 – sleepers, 11 - restaurants-cars, 15 - luggage cars, four - special technical cars, two - power station-cars, and one - interregional car. All the passenger car pool belongs to Dushanbe passenger car depot. The average car age (mentioned above) is 19.6 years.

Currently, there is 860.5 km. of railways, out of which 597.9 km. are total length of principal ways. The annual repair norm required is 231 km with wooden crossties and 87 km with concrete crossties. Every three years the lifting repair is planned. It includes 180 km of annual repair of railways with wooden crossties. Every nine years the medium repair is made. It covers 90 km of wooden crosstie railways and 45 km of concrete crosstie railways annually. In addition, every 12 years capital repair of railways is required, which is 93 km of wooden crosstie railways and 44 km - of concrete crossties railways. In the last three years, due to lack of funds, the railway repair required was not conducted.

The current locomotive pool consists of 57 diesel locomotives. Their average age is 20 years. Prior to 1 January 2001, length of service of 21 diesel locomotives had expired.

Electric supplies, signalling, and communication at railway transport have continually been functioning without repair and renewal. Some equipment has morally and physically deteriorated. Thus, communications lines (cable and air), transmission lines, and substations 6-10/0.4 kw. built 25 years ago have practically worked out their resource. The electric supply line Bekabad - Kanibadam has been used for 38 years while standard length of service is 20 years. The existing communications cable between Hoshady and Qurghonteppa stations was laid out in 1972. It has been used for 28 years while standard length of service is 25 years.

Currently, railway transport is in extremely bad situation, which requires substantial technical reconstruction and structural adjustment. For this, the following tasks should be performed:

- Renew the branch production and technical facilities;
- create favorable conditions to attract private investment; and
- ensure financial transparency of all kind of activities, including the introduction of specific financial accounting.

The underlying principles of further reforms in railways are to:

- Divide functions of state management and economic activity at railways;
- Divide primary (related to carriage) and non-primary kind of activities;
- Separate the majority of ancillary and servicing enterprises and their privatization;
- For self-finance railway enterprises, tariffs, taking into account budget subsidies, should ensure full repayment of economically justified costs and expanded reproduction.

To date, the major problem is that the costs used as a basis for tariff scales in Price-list 10-01, in effect since 1997, was calculated under average network conditions of Soviet times. All railways were quite different than now with regard to cargo flow structure, average distances, and average cargo weight in total traffic. The price structure of goods and services carried by railways was also different. Therefore, the current price-list does not reflect real transportation costs.

Thus, the labour productivity per worker in million of ton-km. in 2000 was 12 per cent of the level of 1991.

- Highways

Highways are one of the most important elements of transport complex of Tajikistan. Under present conditions, efficiency of functioning and sustainable development of which are substantial factors of stabilization and transition to economy growth and improvement of living standards and conditions of the population.

The geographical situation of Tajikistan in the center of the Central Asia creates favourable preconditions to use transport on transcontinental routes in Asia and Europe in future most of which should include part of the Tajik road network.

The effective and efficient use of motor transport is ensured by relevant infrastructure, which includes, first of all, network of highways.

Total length of highways in the country is more than 30,000 km., out of which 13,612 km. are general use highways, including 4,732 km. of country importance highways, and 8,880 km of local highways. The highway density in the country is 0.095 km/km<sup>2</sup> and 2.27 km/thousand people.

General use highways under the Ministry of Transport of the Republic of Tajikistan are 13 12 km, out of which roads with asphalt-concrete cover are 10,157 km, roads covered with road metal and gravel are 2,527 km, soil roads are 928 km, and bridges are 36,567 running meters.

The majority of highways are located in mountains. Due to land deficit, they are laid up along slopes feet or mountainous rivers continually being affected by landslides, stone falls, mudflows, floods, and other natural disasters.

In the last years, highways in Tajikistan are characterized by progressing loss of carrying capacity. Most of the roads in the country (more than 80 per cent) were designed and constructed in the 1960-1980s when norms allowed a vehicle axle load of no more than six tons. However, in the

last years all the vehicles enormously changed. Modern and highly effective trucks and buses very often have axle loads of more than ten tons. Running of such vehicles often leads to intensive damage to highways.

Annual technical inspection showed that only 20 per cent of all roads might be considered solid and even. Most of the republican importance roads have detrimental defects. Another part is at the before destruction stage.

Up to 30 per cent of bridges and viaducts of Tajikistan's highways do not correspond to modern carrying capacity requirements (the norm is 30 tons). Around seven per cent is in emergency state.

With expanding of interstate economic ties, the good flows among countries will be dynamically developing.

Constructions and rehabilitation of highways, creation of modern transport corridors, and filling them with transport flows is real perspective to ensure economic growth in industrial and agrarian production, solve the employment problem and expand mutually beneficial ties.

- Construction services

Committee on architecture and construction under the Government of the Republic of Tajikistan use in their activity the following laws and regulations of the Republic of Tajikistan:

- Law "On architecture and town planning";
- Law "On individual housing construction";
- Law "On economic responsibility of enterprises, institutions and organizations for infringements of law in construction and construction materials industry"; and
- Regulation No. 533 of the Government of Tajikistan "Regulation on the Department of the state non-departmental expertise of projects" of 25 December 1997

- Construction standards and rules:

- Regulation No. 211 of the Government of Tajikistan "On state licensing of construction activity on the territory of the Republic of Tajikistan" of 6 May 1997;
- Regulation No. 544 of the Government of Tajikistan "On approval of the regulation "On state construction control bodies of the Republic of Tajikistan" of 25 December 1997;
- Land Code of the Republic of Tajikistan;
- Housing Code of the Republic of Tajikistan;
- Law of the Republic of Tajikistan "On status of the capital of the Republic of Tajikistan";
- Law "On certification of production and services"; and
- Law "On government procurement of goods, works and services" and other legal and regulatory acts.

- Licensing services of the construction activity

Main laws and rules regulating providing of services in construction are the following:

- Law No. 440 "On town planning" of 15 May 1997;
- Law No. 445 "On economic responsibility for infringements of law in construction and construction materials industry" of 15 May 1997; and
- Regulation "On state licensing of construction activity on the territory of Tajikistan" approved on 6 May 1997 by the Decree No. 211.

Regulation "On state licensing of construction activity on the territory of Tajikistan" is applied to all local and foreign organizations, companies, firms, enterprises and other legal entities involved in construction activity in accordance with nomenclature of works and approved classifier. Physical persons are mentioned in the list of subjects who need a licence. In practice, the rules with regard to them are not applied since there the order of registration and issuance of licenses to physical persons does not exist.

Currently the law "On licensing on the territory of the Republic of Tajikistan" is being designed for consideration in the Majlisi Milli and the Majlisi Oli.

Since 1997 licenses of construction activity are issued by the Committee on architecture and construction under the Government of Tajikistan. The licence gives a right to an organization only on types of works especially indicated in the annex to the licence. The licence is issued for one year and has to be extended annually.

General rules of construction licensing are in the Regulation, based on which foreign legal entities and joint ventures receive licenses on the same conditions and in the same order as legal entities of the Republic of Tajikistan. Licenses of legal and physical entities of the CIS countries and other states intending to implement construction activity on the territory of the Republic of Tajikistan are recognized in accordance with Intergovernmental agreements and have to be registered in the licensing center of the Committee on architecture and construction. These rules aimed at the policy of further development of construction and attraction of foreign investment in construction complex of the Republic of Tajikistan.

- Services on State expertise of construction projects

The Department of State non-departmental expertise of construction projects under the Committee on architecture and construction of the Republic of Tajikistan is functioning in accordance with Decree No. 553 of the Government of Tajikistan of December 1997. This Department carries out the state expertise of project feasibility studies on construction, expansion, reconstruction and technical upgrade of enterprises, buildings and constructions irrespective of financing sources of construction and ownership forms of objects (construction projects) on the territory of Tajikistan.

Decision of the Department is a basis for approval of construction projects in established order and is a mandatory document for execution by customers, contractors and other organizations concerned.

Also in accordance with the Law No. 445 of the Republic of Tajikistan "On economic responsibility for infringements of Law in construction and construction materials industry" of 15 May 1997 and in order to regulate and exclude infringements of law in construction of objects on the territory of the country, all customers irrespective of financing sources should submit to the State expertise the project dossier of construction objects for consideration before beginning of construction.

The state expertise is carried out in order to avoid construction and operation of objects that do not meet requirements of construction standards and rules. The expertise is carried out by qualified specialists from different projects of ministries and organizations concerned.

- State construction inspection

Main documents regulating quality control of buildings and constructions are the following:

- Law No. 445 "On economic responsibility for infringements of law in construction and construction materials industry" of 15 May 1997; and

- Law "On architecture and town planning".

The bodies of the state control are:

- State Construction Inspection, oblast, city, and district construction inspections;
- State architecture and construction control bodies; in the cities and districts where there are no State architecture and construction control bodies departments of architecture and town planning, and chief architects of these cities and districts implement their functions; and
- State Construction Inspection of the Committee on architecture and construction under the Government of Tajikistan is responsible for methodical management and control over the activity of local bodies of the State Construction Control, coordination and direction of their activity on improvement of quality of construction and construction materials. State Construction Control bodies use in their activity the Constitution of the Republic of Tajikistan, laws of the Republic of Tajikistan, Decrees of the Majlisi Oli and the President of Tajikistan, instructions of the Committee on architecture and construction under the Government of Tajikistan, and other documents.

- Services of travel bureau's and tourist agencies

The Republic of Tajikistan has rich historical and cultural heritage, unique natural and recreational possibilities, which attracts foreign tourists, mostly alpinists, mountainous and ecological tourists.

The current state of tourism in the Republic of Tajikistan, due to a number of objective reasons related to, first of all, the political situation in the region, anti-terrorist operations in Afghanistan, still does not hold the leading place in the economy of the country as in other developing countries of the world. In transition period, the country inherited a destroyed system of socially oriented tourism, which does not correspond to the market economy requirements. Prior to 1996, the sector was developing chaotically and development was mostly commercially oriented. When a government management body in the field tourism was created, the required legislative and normative-legal basis regulating tourist activities in the country was set up.

In 1991, the Parliament of the Republic of Tajikistan adopted the Law "On Tourism", which defines legal, social, and institutional fundamentals, unified rules of tourist activities. The law grants equal opportunities for domestic and foreign economic agents, secures protection of their rights and interests. In accordance with the Law of the Republic of Tajikistan "On Tourism," Article 9, to protect rights and interests of the state in the field of tourism, as well as tourist enterprises and tourists, licensing of tourist activities and certification of tourist products and services are performed. Moreover, the law specifies that legal entities and individuals, regardless of the form of property, be obliged to have a licence of the government management body in the field of tourism to conduct tourist activities. Present legislation, as well as normative-legal basis does not restrict entitlements of foreign tourist companies to implement tourist activities in the country.

Besides, current taxation legislation is not attractive for foreign investment in tourism infrastructure.

Activation of the government policy in the field of tourism, its prioritisation in the economy sector, advertisement of tourist through participation at international tourist fairs, and events arranged by the World Tourist Organization allowed, to a certain extent, to increase a flow of foreign tourists to the Republic of Tajikistan, whose quantity currently exceeds 5,000 (compared with 1996, it was only 700 tourists), and to expand tourist services.

At present, the majority of tourist companies are still busy with arranging commercial trips of citizens of Tajikistan abroad generating its basic income.

Due to low income of population and high servicing prices, domestic tourism remains underdeveloped.

The existing state of tourism in the Republic of Tajikistan permits to arrive at a conclusion that on condition that this sector acquires the status of a priority direction in the economy, formation of the "favorable investment climate", simplification of visa, border, and customs formalities, and reduction of transportation costs, tourism may turn into a revenue part of the country's budget. Currently, 12 tourist enterprises are functioning in the Republic of Tajikistan, including a representation office of the British tourist company "The Great Game Travel Company Ltd." Five tourist enterprises are engaged in entry tourism and participate in international tourist fairs. The government enterprise "Sayoh" represents interests of the Republic of Tajikistan in the World Tourist Organization being an associated member of this non-government international organization and a member of the Working Committee on Tourism of the Organization of Islamic Conference. This created necessary conditions to both benefit from the world experience and actively participate in events aimed at increase of tourist flows in countries which simplify visa, border, and customs formalities, and use established international standards.

Tourist enterprises in Tajikistan provide for foreign and domestic tourists the following services:

- Transportation: (flights performed by the State Air Company "Tojikiston," transportation by road within the country, transportation by horse when arranging horse routes) The costs, except for air tickets, vary from US\$10 to US\$15. When arranging transportation by air, one should take into account a differential in air tickets prices for foreign citizens, which exceeds twice air tickets prices for Tajikistani citizens.
- Hotels:
  - Tajikistan Hotel is for 400 beds. Prices vary from US\$55 to US\$130 per person. Breakfast included.
  - Avesto Hotel is for 180 beds. Prices vary from US\$65 to US\$140 per person. No breakfast included.
  - Dushanbe Hotel is for 150 beds. Prices vary from US\$35 to US\$60 per person, excluding breakfast.
  - Leninabad Hotel is located in Khujand, Sughd region. The hotel has 180 beds. Prices vary from US\$30 to US\$45 per person. No breakfast included.
  - Khujand Hotel is situated in Chkalovsk, Sughd region. The hotel has 150 beds and prices vary from US\$12 to US\$18 per person. No breakfast included.
  - Khatlon Hotel is in Kulob, Khatlon region, it has 45 beds and the price is US\$20. Full board.
  - Kairakkum Rest House is situated on the Tajik sea in the Sughd region. The rest house is for 120 beds. The price is US\$25. No meals included.
  - Artuch Tourist Base. Located in Panjakent district of the Sughd region. 50 beds. The price is US\$20. Full board.
  - A five star hotel is at present being constructed.
- Excursion services. Provided by tourist enterprises. Prices from US\$10 to US\$25 per person. In 2001, excursion services were provided to 580 tourists to the sum of US\$1,200.



In order to protect the environment from man's impact the ecological fees, mandatory fees for climbing the mountains and use of nature during tourist activity were set up:

- the right of climbing the mountains from 6,000 m. and higher –the sum equal to US\$100 per tourist in national currency according to the exchange rate of the National Bank of Tajikistan on the day of payment; organization of trekking and climbing the mountains lower than 6,000 m. – the sum equal US\$50 per tourist in national currency according to the exchange rate of the National Bank of Tajikistan on the day of payment.
- use of nature during organization of mountain climbing and mountain tourism -US\$1/day per foreign tourist in national currency according to the exchange rate of the National Bank of Tajikistan on the day of payment.
- Reporting in the field of tourism corresponds to international standards specified by the World Tourist Organization.

The Republic of Tajikistan has signed nine agreements on cooperation in tourism with selected CIS countries, Turkey, India, and China. Agreements signed within the Euro Asian Economic Commonwealth and the Central Asian Economic Community set up conditions to jointly host foreign tourists.

## **VII. INSTITUTIONAL BASE FOR TRADE AND ECONOMIC RELATIONS WITH THIRD COUNTRIES**

### **1. Bilateral or plurilateral agreements relating to foreign trade in goods and trade in services**

In accordance with the Article 10 of the Constitution of the Republic of Tajikistan, "International legal acts, recognized by the Republic of Tajikistan, are part of the legal system of Tajikistan. In case of divergence between legal acts of Tajikistan and International legal acts the provisions of International legal acts will prevail". Therefore, in case of setting up in the legal acts of Tajikistan norms, which are in contradiction with internationally recognized commitments of Tajikistan, the conditions of international agreements will be in force.

Signing of Bilateral and Plurilateral trade agreements is part of the external economic policy of Tajikistan. Agreements set up the basic principle of carrying out foreign trade practices and provide for implementation of MFN treatment.

At present, Tajikistan has entered into 16 bilateral agreements, providing MFN Treatment, with following countries:

- Austria, 24 February 1994;
- Afghanistan, 22 December 1993;
- Hungary, 22 April 1996;
- Vietnam, 19 January 1999;
- Kuwait, 18 April 1995;
- Pakistan, 1 June 1992;
- Romania, 20 July 1992;
- Syria, 29 March 1992;
- Slovakia, 14 February 1994;
- India, 15 February 1993;
- IR of Iran, 18 July 1995;
- PR of China, 16 September 1996;
- United States of America, 1 July 1993;
- Turkey, 3 April 1993;

- Czech Republic, 11 February 1994;
- Yugoslavia, 27 December 1995.

**(b) Economic integration, customs union and free-trade area agreements**

- Agreements on economic integration

The Agreement on establishment of the Euro-Asian Economic Community was signed on 10 October 2000. With the aim of providing dynamic development by the means of co-ordination of social-economic reforms, under efficient use of the economic potential of the countries and improvement of the living standards of their nations, the Republic of Tajikistan, the Russian Federation, the Republic of Kazakhstan, the Republic of Belarus, and the Kyrgyz Republic agreed on the establishment of the Euro-Asian Economic Community.

The aims and objectives of the Community are the process of effective promotion and formation of the Customs Union and Common economic space and realization of other goals and objectives, determined in the Agreements on the Customs Union, and the Agreement on deepening of the economic and humanitarian integration.

For this purpose within the Community, the following bodies have been established:

- Interstate Council – the supreme body of the Community, which includes the Heads of States and Heads of Governments of the Parties;
- Integration Committee – the permanent executive body of the Community, headed by the Secretary General. The staff quotas of each country in the Integration Committee is determined on the basis of their budget contributions;
- Inter-parliamentary Assembly - the body of Parliamentary cooperation and is formed from parliamentarians of the Parties;
- Community Court – provides uniform application of the Agreement and other functioning in the framework of the Community agreements by the Parties. The Court also considers economic disputes, arising between the Parties of the Agreement and other agreements in the framework of the Community as well as provides explanations and conclusions.

- Agreements on Custom Union

Agreement on joining of the Republic of Tajikistan to agreements on the Customs Union of 6 and 20 January 1995 was signed on 26 February 1999. In accordance with Article 1 of the Agreement, the Republic of Tajikistan joins agreements and assumes in full the rights and commitments arising from those agreements, as well as from the decisions of the Integration managing bodies and other documents related to aims, principles, conditions and steps of forming and functioning of the Customs Union.

In accordance with this Agreement, the Republic of Tajikistan to full extent introduces the free trade regime, without any exceptions and restrictions, in bilateral trade-economic relations with member countries. At present, the free trade regime is used in trade between the member countries, the process of unification and harmonization of the customs legislation, formulation of the common custom tariff and rules of customs declaration and control is going on.

- Agreement on the Customs Union and the Common Economic Area

The Agreement determined main principles, goals, objectives and phases of formation of the Common Economic Area. The first phase assumes completing of formation of the Customs Union and the creation of a common customs area. The second stage provides for the establishment of the Common Economic Area, including establishment of the common market of goods, services (Labour)

and capital, implementation of a common economic policy, creation of common infrastructure, rapprochement and unification of the legislation of the Parties.

Completing of the formation of the Customs Union presumes the establishment of the common customs area which includes customs areas of the Parties in respect to which the Common customs tariff will be applicable. At the same time, the application of a common order of non-tariff regulation will be provided, common customs policy carried out, centralization of the operation of the customs bodies achieved, customs control at internal customs borders eliminated, and trade regimes with third countries and their associations unified.

In order to set up common rules of tariff regulation, the Parties adopted the Agreement on a common customs tariff, which will reflect common rates of tariff duties and the coordinated system of preferences in respect of third countries. At present, the process of the intensive unification and binding of tariffs between the member states is being carried out. The member states took measures to achieve common approaches in respect of non-tariff measures.

With the aim of unification of trade regimes, applicable to third countries, the Parties started working on the draft of the Protocol on application of an agreed list of exceptions from free trade regime. It is foreseen to carry out a coordinated policy between the member states during the accession to the WTO. The last phase of the formation of the Customs Union is creation of a common customs area.

Agreement on common measures of non-tariff regulation during formation of the Customs Union of 22 October 1997 (entered into force on 15 July 1999)

In accordance with the current agreement, the following common principles and approaches of the foreign trade regulation through non-tariff measures were set up:

- State monopoly on export and/or import of selected goods;
- Export control;
- Quantitative restriction of the export and/or Import;
- Prohibition and limitation of the Export and/or Import;
- Participation in execution of international economic sanctions;
- Technical, pharmaceutical, sanitary, veterinary, phytosanitary and ecological standards and requirements; and
- Control over the quality of imported goods.

Currently, the member states work on the legal support and unification based on common principles. At the same time, the lists of goods to which the non-tariff measures of regulation will be applied are being developed.

- Agreement on Common Customs tariff of the Customs Union member states of 17 February 2000

The above mentioned agreement, sets up types of duty rates and mechanism of custom valuation based on the Fundamentals of the customs legislation of the CIS countries of 10 February 1995 (see sub-section h of Import Regulation). Formation of the common customs tariff should be done stage by stage, taking into consideration:

- Consecutive involvement of the Republic of Tajikistan in the formation of the Basic list of the customs tariffs; and
- Amendments and improvement of the Basic list of the custom tariffs.

Amendments and improvement of the Basic list should be done on the basis of:

- List of goods in respect of which the divergence in import tariff does not exceed five per cent; and
- List of goods in respect of which the divergence in import tariff exceeds five per cent.

In accordance with Article 8 of the Agreement the member states during the transition period of formation of the Common customs tariff annually will register a list of the sensitive goods for each country. For these goods, the member states can make changes and amendments in tariffs during the whole period of transition. At the same time, the member states should inform the Integration Committee about such changes. Currently for the Republic of Tajikistan the Aluminum Oxide (CCFEA CIS code No. 281820000) is considered a sensitive commodity.

Article 11 of the Agreement stipulates application of preferences in trade with developing and least developed countries. At present, Tajikistan applies the preferential treatment in trade with 45 least developed countries in accordance with the Government Resolution No. 187 "On customs tariff in the Republic of Tajikistan" of 30 April 2002.

Article 13 of the Agreement forbids application of individual tariff benefits granted to foreign trade participants. In accordance with the Agreement on market access regulation measures of Customs Union Member states of October 6, 2000, in trade in goods and services, originating from third countries and goods and services produced and/or sold with participation of economic agents from third countries through the territory of a Customs Union member state, the Republic of Tajikistan, as a member country, will provide the same regime as the other member states. It means that in such cases each member of the Union during the introduction of any kind of measures, related to market access in the country, has to ensure that it is agreed upon with other member countries before its implementation.

Other Agreements and Treaties are mentioned in Annex 8 of the Memorandum.

- Free trade zone agreements

Agreement on establishment of a free trade zone between the CIS countries of 15 April 1994 (changes and amendments were made through the Protocol on changes and amendments of 2 April 1999).

In order to achieve the goals of this agreement the member states shall provide:

- Gradual elimination of custom duties, taxes and charges, having equivalent effect, also quantitative restrictions in mutual trade;
- Elimination of other barriers having an effect on free movement of the goods and services; and
- Coordination of the trade policy in respect of third countries, which are not members of the Agreement.

The trade regime in respect of non-participating countries each Party determines independently.

The Agreement sets up the main principles of levying customs duties, taxes and charges having equal effect, introduction of quantitative restrictions, technical barriers and other similar measures; unification and harmonization of customs procedures, application and book keeping of the commodity nomenclature based on the Harmonized System; internal taxes in respect of goods originating in member states, export and other subsidies, rules implementing state regulation of trade.

At present, some results have been achieved in respect of implementation of this agreement: the customs legislation in all of the member states, rules on customs declaration and control, collection of indirect taxes in the country of origin, implementation and application of the commodity nomenclature, transit issues and others were unified. These measures positively influenced the trade development between the member states. But there still are some problems which block full realization of the agreement, such as full conversion to the mechanism of indirect taxation in country of destination, transit and export control issues, minimization of exceptions from free trade regime, payment and account mechanism in trade, and tariff policy in member states.

Furthermore, Bilateral free trade agreements have been entered into force with the following countries:

- Republic of Armenia (Agreement between Government of the Republic of Tajikistan and the Government of the Republic of Armenia on free trade, signed on 2 March 1994);
- Republic of Belarus (Agreement between Government of the Republic of Tajikistan and the Government of the Republic of Belarus on free trade, signed on 3 September 1998);
- Kyrgyz Republic (Agreement between Governments of the Republic of Tajikistan and the Kyrgyz Republic on trade-economic cooperation, signed on 12 July 1996)
- Republic of Kazakhstan (Agreement on free trade between the Government of the Republic of Tajikistan and the Government of the Republic of Kazakhstan, signed on 22 November 1995);
- Russian Federation (Agreement on free trade between the Government of the Republic of Tajikistan and the Government of the Russian Federation, signed on 5 April 1994); and
- Republic of Uzbekistan (Agreement on free trade between the Government of the Republic of Tajikistan and the Government of the Republic of Uzbekistan, signed on 10 January 1996).

### **3. Labour markets integration agreements**

On 15 April 1994 heads of states of the CIS countries signed the Agreement "On Cooperation in Labour Migration and Social Protection of Labour Force-Migrants" which formulates main directions of cooperation of the Parties in labour migration and social protection of the CIS citizens, their displacement, employment, wages, allowance, bonuses due to length of employment, dismissal, etc..

In 2001, the Agreement was concluded between the Ministry of Nationalities and Migration Policy of the Russian Federation and the Ministry of Labour and Social Protection of the Republic of Tajikistan on cooperation in migration of population.

### **4. Multilateral economic cooperation, membership in the multilateral economic organizations, trade related programmes of other multilateral organizations**

Tajikistan has agreements with or is a member of the following institutions:

No.	Institution	Date of agreement
1.	Commonwealth of Independent States	December 1991
2.	United Nations Organization (UN)	2 March 1992
3.	Organization for Security and Cooperation in Europe (OSCE)	26 February 1992
4.	World Health Organization (WHO)	April 1992
5.	World Organization for Animal Health	October 1992
6.	European Bank for Reconstruction and Development (EBRD)	28 March 1992
7.	Organization of Islamic Conference (OIC)	1 December 1992
8.	Economic Cooperation Organization (ECO)	18 January 1993

No.	Institution	Date of agreement
9.	United Nations Educational, Scientific and Cultural Organization (UNESCO)	6 April 1993
10.	Islamic Educational, Scientific and Cultural Organization (ISESCO)	27 April 1993
11.	World Bank (WB)	27 April 1993
12.	International Monetary Fund (IMF)	June 1993
13.	International Financial Corporation (IFC)	June 1993
14.	International Development Association (IDA)	June 1993
15.	Multilateral Investment Guaranty Agency (MIGA)	June 1993
16.	World Meteorological Organization (WMO)	9 September 1993
17.	International Civil Aviation Organization (ICAO)	2 October 1993
18.	International Labor Organization (ILO)	26 November 1993
19.	United Nations Industrial Development Organization (UNIDO)	9 June 1993
20.	International Fund for Agricultural Development (IFAD)	26 January 1994
21.	World Intellectual Property Organization (WIPO)	14 February 1994
22.	International Telecommunication Union (ITU)	April 1994
23.	World Archive Union	22 April 1994
24.	Universal Postal Union (UPU)	9 June 1994
25.	International Organization of Space Communication "INTERSPUTNIK"	13 May 1994
26.	International Organization for Migration (IOM)	29 November 1994
27.	United Nations Economic Commission for Europe (UN ECE)	12 December 1994
28.	International Road Traffic Organization (IRTO)	12 June 1995
29.	Food and Agricultural Organization of the United Nations (FAO)	November 1995
30.	Economic and Social Commission for Asia and the Pacific (UN )	
31.	United Nations Conference on Trade and Development (UNCTAD)	
32.	Intelsat	22 February 1996
33.	Islamic Development Bank (IDB)	November 1996
34.	Asian Development Bank (ADB)	20 February 1998
35.	Euro Asian Economic Community (former Customs Union)	10 October 2000 (28 May 1998)
36.	International Atomic Energy Agency (IAEA)	1 November 2001
37.	Shanghai Cooperation Organization (former "Shanghai Five")	15 June 2001 (April 1996)
38.	Central Asian Cooperation (former Central Asian Economic Community)	28 February 2002 (March 1998)

## **ANNEX 1**

### **Statistics and Publications**

#### **1. Foreign trade statistics for goods and services: responsible agencies**

According to the national legislation and international Agreements, the Ministry of State Revenues and Duties of the Republic of Tajikistan is the agency responsible for foreign trade statistics.

Based on the information provided by the Ministry of State Revenues and Duties of Tajikistan, the State Statistics Committee of the Republic of Tajikistan publishes the official statistics on Foreign Trade.

#### **2. Publications related to statistics**

A monthly report "On Social and Economic Development of the Republic of Tajikistan" and a quarterly issue "Regions of the Republic of Tajikistan", annual issues "Tajikistan in figures", an annual economic collection, branch collections and bulletins, a quarterly publication of information on social and economic development of the Republic of Tajikistan in local newspapers.

### 3. Statistical data

#### (a) Main economic indicators

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Population at end of year, in thousands	5,505.6	5,567.2	5,579.7	5,633.8	5,701.4	5,769.1	5,875.8	6,001.3	6,126.7	6,250.0	6,375.5
Males	2,744.2	2,778.8	2,784.2	2,814.6	2,849.1	2,886.1	2,940.8	3,004.7	3,068.6	3,131.0	3,195.2
Females	2,761.4	2,788.4	2,795.9	2,819.2	2,852.3	2,883.0	2,935.0	2,996.0	3,058.1	3,119.0	3,180.3
Births, in thousands <sup>21</sup>	212.6	179.5	186.5	191.6	193.2	172.3	178.1	185.7	180.9	167.2	171.6
per thousand population	39.1	33.2	34.1	33.7	33.6	29.7	30.6	31.3	29.8	27.0	27.2
Deaths, in thousands <sup>22</sup>	33.1	6.7	49.3	40.0	34.3	31.6	27.9	29.2	25.4	29.4	32.0
per thousand population	6.1	6.6	8.8	7.1	6.1	5.6	5.9	5.0	4.2	4.7	5.1
Natural population increase, in thousands	179.5	142.8	137.2	151.6	158.9	140.7	150.2	156.4	155.5	137.8	139.6
per thousand population	33.0	26.6	25.3	26.6	27.5	24.1	24.7	26.3	25.6	22.3	22.1
Life expectancy at birth, in years	70.5	68.3	62.0	66.1	68.3	68.4	68.4	...	...	...	...
Males	67.6	65.4	56.5	63.4	65.5	65.6	65.6	...	...	...	...
Females	73.2	71.1	68.2	68.7	71.2	71.3	71.3	...	...	...	...
Marriages, thousands	56.5	46.7	53.9	38.8	32.1	28.0	27.3	22.3	22.7	26.2	28.8
per thousand population	10.4	8.4	9.8	6.9	5.7	4.8	4.7	3.8	3.9	4.2	4.6
Divorces, in thousands	7.6	6.5	5.3	4.4	4.3	4.4	4.0	2.6	2.3	2.4	2.3
per thousand population	1.4	1.2	0.9	0.8	0.8	0.8	0.7	0.4	0.4	0.4	0.4

<sup>21</sup> In billion rubles.

<sup>22</sup> Preliminary data.



(i) GDP; and

(ii) GDP per capita

Gross Domestic Product

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 <sup>23</sup>	
13.4	64.5	707.1	1,786.5	69.8	308.5	518.4	1,025.2	1,345.0	1,806.7	GDP in prices of relevant years, in millions Somoni <sup>2</sup>
94.6	67.6	83.7	78.7	87.6	83.3	101.7	105.3	103.7	108.3	Annual growth
2.5	11.6	125.8	311.2	12.0	52.2	86.4	169.6	220.5	292.1	Per capita, in Somoni <sup>3</sup>
4,615.7	3,124.8	2,615.5	2,058.4	1,803.2	1,502.1	1,527.6	1,608.6	1,668.2	1,806.7	GDP in prices of 2000, in millions Somoni
847.1	562.5	465.3	358.6	310.4	254.4	254.8	266.2	273.5	292.2	Per capita, in Somoni
462.6	307.2	254.1	195.8	169.5	138.9	139.2	145.4	149.4	159.6	In U.S. dollars

Developments of Gross Domestic Product

(in millions Somoni)

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 <sup>24</sup>	
in billion rubles										
13.4	64.5	707.1	1,786.5	69.8	308.5	518.4	1,025.2	1,345.0	1,806.7	GDP in prices of relevant years, in millions Somoni
9.8	51.0	444.8	1,021.4	51.8	201.1	300.2	513.2	710.8	986.4	Production of goods
3.4	21.7	222.9	758.4	19.6	85.5	172.0	437.5	540.8	675.3	Production of services
-	3.2	30.7	163.0	4.7	1.5	3.6	3.3	4.6	4.7	Implicitly measured services of financial intermediation
0.2	-5.0	70.1	169.7	3.1	23.4	49.8	77.8	98.0	149.7	Net (excluding subsidies) tax on products
94.6	67.7	83.7	78.7	87.6	83.3	101.7	105.3	103.7	108.3	GDP in prices compared with previous year, %
-	-	1,310	321	446	530.6	165.2	187.8	123.5	124.3	Index-GDP deflator compared with previous year, %

<sup>23</sup> In billion rubles.

<sup>24</sup> Preliminary data.

Growth Rate of Gross Domestic Product

(in per cent)

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 <sup>25</sup>	Growth rate:
94.6	67.7	83.7	78.7	87.6	83.3	101.7	105.3	103.7	108.3	By year
100.0	67.7	56.7	44.6	39.1	32.6	33.2	34.9	36.2	39.2	1991 = 100%

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 <sup>26</sup>	<b>i. GDP</b>
4,615.7	3,124.8	2,615.5	2,058.4	1,803.2	1,502.1	1,527.6	1,608.6	1,668.2	1,806.7	GDP in prices of 2000, in millions Somoni
										<b>ii. GDP per capita</b>
847.1	562.5	465.3	358.6	310.4	254.4	254.8	266.2	273.5	292.2	in Somoni
462.6	307.2	254.1	195.8	169.5	138.9	139.2	145.4	149.4	159.6	in U.S. dollars

<sup>25</sup> Preliminary data.<sup>26</sup> Preliminary data.

### (iii) Budget

The State Budget of the Republic of Tajikistan for 2002 is developed in compliance with the Law of the Republic of Tajikistan "On Fundamentals of Budget Composition and Budget Process" and the Resolution of the Government of the Republic of Tajikistan of 22 May 2001 "On Forming of Forecast Indicators of the State Budget of the Republic of Tajikistan for 2002 –2004," the Tax Code of the Republic of Tajikistan," The Forecast of Social and Economic Development of the Republic of Tajikistan for 2001-2005", the adjusted Forecast of Social and Economic Development of the Republic for 2002, and the Memorandum of the Government of the Republic of Tajikistan on Economic and Financial Policy.

The indicators of the State Budget of the Republic of Tajikistan are formed based on medium-term budget planning within the Program of Structural Economic Reforms of the Government of the Republic of Tajikistan. These indicators are aimed, first of all, at implementation of the Poverty Reduction Strategy in the country.<sup>27</sup>

GDP in 2001 was 2,512.1 million Somoni. In 2002, growth of the national economy of six per cent in real terms is projected. Inflation is planned up to 9.5 per cent. Given the average inflation rate for two years within 11 per cent, GDP in 2002 is planned at 3,025.0 million Somoni, with an increase of 22.4 per cent in nominal terms to 2001.

In 2002, the planned revenues of the State Budget amount to 459.9 million Somoni and expenditures – 490.1 million Somoni. Real revival of the national economy sectors in the last two years, first of all, of the industrial sector, allows to project revenue increase of GDP from 13.8 per cent in 2001 to 15.7 per cent in 2002. State expenditures will amount to 15.9 per cent of GDP, with an increase by 0.8 per cent compared with 2001. State revenues in value terms in 2002 will exceed revenues of 2001 by 137.1 million Somoni, expenditures in the same period – by 148.9 million Somoni. This deviation regarding revenues and expenditures and their ratio of GDP compared with 2001 is caused by the change in the State Budget deficit, which is planned at 30.2 million Somoni in 2002, or 1.0 per cent of GDP.

When calculating revenues and expenditures of the State Budget for 2002, the average rate of the national currency towards the U.S. dollar used is 2.57 Somoni per US\$1.

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Revenues of State Budget, in millions Somoni	6.1	43.2	407.4	1,272.1	9.9	59.9	109.0	180.4	249.8	251.7
In % of GDP	...	...	...	...	14.2	19.4	21.0	17.6	18.6	13.9
Expenditures of State Budget, in millions Somoni	5.0	37.5	336.4	936.2	9.4	57.5	105.1	178.7	236.4	261.8

<sup>27</sup> The Poverty Reduction Strategy is described in a study that may be requested from the Government of the Republic of Tajikistan.

**(iv) Production and consumption of the basic goods**

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Industrial products (in prices of 2000), in millions Somoni	3,263	2,470	2,278	1,699	1,468	1,117	1,095	1,185	1,251	1,374
Production of consumer goods (in prices of 2000), in millions Somoni	1,197	862.8	805.8	486.7	374.8	273.2	244.5	287.3	262.0	262.7
Agricultural products (in prices of 2000), in millions Somoni	1,304.6	1,151.3	899.8	745.7	652.6	616.0	600.9	606.1	615.3	693.2
Goods transported by general use transport, millions tons	79.8	28.5	15.0	28.8	21.4	15.3	16.0	20.2	17.9	18.7
Passengers transported by general use transport, in millions population	465	264	191	125	119	110	106	139	146	135
Capital investment, in millions Somoni <sup>28</sup>	2.2	11.9	17.2	415.9	5.6	26.6	67.5	68.3	122.5	108.6
Startup of capital assets, in millions Somoni <sup>29</sup>	1.2	3.8	60.7	116.6	2.5	9.9	58.7	27.6	81.0	81.6
Startup of total housing area, in thousands m <sup>2</sup>	1,225.2	635.2	523.2	224.8	226.2	167.0	265.1	226.9	224.9	245.5
Total retail turnover (in prices of 2000), in millions Somoni	5,400.6	1,398.8	1,100.8	784.9	607.5	570.4	621.8	674.6	703.0	558.2
Paid services to population (in prices of 2000), in millions Somoni	441.8	129.0	124.2	63.4	51.4	56.1	57.9	60.8	154.0 <sup>30</sup>	188.9
Foreign trade turnover, in millions US\$	131.1	353.2	881.9	1,038.9	1,558.5	1,438.2	1,496.0	1,307.6	1,351.8	1,459.3
Exports, in millions US\$	67.9	192.5	349.8	491.9	748.6	770.1	745.7	596.5	688.7	784.3
Imports, in millions US\$	63.2	160.7	532.1	547.0	809.9	668.1	750.3	711.0	663.1	675.0
In % of GDP	...	...	...	...	13.5	18.7	20.3	17.4	17.6	14.5
Total housing area per capita, in m <sup>2</sup>	9.5	8.9	8.9	8.9	9.1	9.1	9.1	9.0	9.0	9.1
Hospitals	374	377	389	408	434	417	416	424	433	441
Hospital beds per 10,000 population	107.2	108.4	104.6	88.0	80.2	72.9	69.9	67.7	67.7	65.8
Comprehensive schools	3.179	3.270	3.334	3.400	3.416	3.432	3.484	3.522	3.551	3.557
of which students, in thousands	1,310.2	1,260.2	1,226.7	1,274.8	1,310.1	1,327.3	1,374.0	1,436.6	1,464.9	1,504.4
Higher education institutions	13	18	21	22	24	25	25	24 <sup>31</sup>	29 <sup>32</sup>	30 <sup>33</sup>
of which students, in thousands	69.3	70.6	69.0	73.3	74.0	76.0	76.7	75.5	79.2	77.7

<sup>28</sup> Here data on capital construction is in existing prices of relevant years. 1991-1994 – in billion rubles.

<sup>29</sup> Here data on capital construction is in existing prices of relevant years. 1991-1994 – in billion rubles.

<sup>30</sup> Number of survey services expanded.

<sup>31</sup> Including branches.

<sup>32</sup> Including branches.

<sup>33</sup> Including branches.

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Per 10,000 population	124	127	122	128	126	127	126	123	130	127
Technical –vocational schools	43	48	50	50	44	47	44	42 <sup>34</sup>	48 <sup>35</sup>	53 <sup>36</sup>
Of which students, in thousands	40.7	38.3	38.4	34.9	26.8	23.5	19.9	19.4	23.2	25.3
Per 10,000 population	73.0	68.7	67.3	60.3	45.6	39.5	32.5	32.2	37.4	41.3
Registered crime per year	18,477	25,296	24,596	14,297	14,530	13,386	13,201	13,161	14,413	14,455

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<sup>34</sup> Including branches.

<sup>35</sup> Including branches.

<sup>36</sup> Including branches.

Production

(At end of year, in prices of relevant years)

(in millions Somoni)

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 <sup>37</sup>	
In billion rubles										
25.2	165.5	1,594.7	4,465.4	171.6	610.9	1,100.7	1,763.9	2,321.5	3,207.7	Released in basis prices
0.9	6.6	129.2	327.0	4.6	25.2	51.3	79.0	106.0	154.2	Tax on products
0.7	11.6	59.1	157.3	1.5	1.8	1.5	1.2	8.0	4.5	Subsidies for products (-)
25.4	160.5	1,664.8	4,635.1	174.7	634.3	1,150.5	1,841.7	2,419.5	3,357.4	Total
12.0	96.0	957.7	2,848.6	104.9	325.8	632.1	816.5	1,074.5	1,550.7	Interim consumption
13.4	64.5	707.1	1,786.5	69.8	308.5	518.4	1,025.2	1,345.0	1,806.7	GDP in market prices
25.4	160.5	16,64.8	4,635.1	1,74.7	6,34.3	1,150.5	1,841.7	2,419.5	3,357.4	Total

Structure Of Gross Domestic Product Production

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 <sup>38</sup>	
100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	Gross domestic product
										Of which:
73.1	79.0	62.9	57.2	74.3	65.2	57.9	50.0	52.8	54.6	Production of goods
25.4	28.8	27.2	33.3	21.2	27.2	32.5	42.4	39.9	37.1	Production of services <sup>39</sup>
1.5	-7.8	9.9	9.5	4.5	7.6	9.6	7.6	7.3	8.3	Net (excluding subsidies) Tax on products

<sup>37</sup> Preliminary data<sup>38</sup> Excluding implicitly measured services of financial intermediation.<sup>39</sup> Excluding implicitly measured services of financial intermediation.

Use Of Gross Domestic Product  
(At end of year; in prices of relevant years)

(in millions Somoni)

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 <sup>40</sup>	
In billion rubles										
8.8	49.5	424.5	1,256.6	49.8	209.8	366.3	786.3	1,084.3	1,355.0	Final consumption expenses
										- Of which:
8.0	31.8	268.4	876.4	41.0	175.8	301.2	691.3	944.8	1,198.7	Households
0.8	17.7	154.9	351.7	7.6	27.7	55.2	80.0	116.5	125.6	Government entities
										- Of which:
0.6	12.5	99.2	231.2	5.6	12.9	23.4	37.1	53.8	72.2	On personal goods and services
0.2	5.1	55.7	120.6	2.0	14.8	31.8	42.5	62.7	53.4	On collective services
-	0.1	1.1	28.5	1.3	6.2	9.8	15.1	23.0	30.7	Non-commercial entities, household servicing
1.6	21.6	276.9	652.9	20.0	68.8	102.0	158.1	240.7	252.9	Gross accumulation
										Of which:
0.7	7.2	79.3	425.1	14.9	41.0	91.6	137.6	231.2	240.3	Gross accumulation of capital assets
0.9	14.4	197.6	227.7	5.1	27.8	10.4	20.5	9.5	12.6	Development of stock of materials and circulating assets
-0.2	6.1	-170.0	-121.2	-6.4	29.9	-18.7	-79.7	20.0	184.4	Net export of goods and services (+, -)
3.2	-12.7	175.8	-1.8	6.4	0.0	68.8	160.4	0.0	14.4	Statistical variance
13.4	64.5	707.1	1,786.5	69.8	308.5	518.4	1,025.2	1,345.0	1,806.7	GDP in market prices

Structure of Gross Domestic Product Utilisation

(in per cent)

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 <sup>41</sup>	
86.5	64.1	79.8	70.4	78.5	68.0	81.5	90.9	81.1	75.6	Final consumption expenses
16.2	28.0	44.2	36.5	31.6	22.3	22.6	18.2	17.4	14.1	Gross accumulation
-2.7	7.9	-24.0	-6.9	-10.1	9.7	-4.1	-9.1	1.5	10.3	Net export of goods and services

<sup>40</sup> Preliminary data.

<sup>41</sup> Preliminary data.

**GDP Production by Economy Sector**  
(At end of year, in prices of relevant years)

(in millions Somoni)

1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 <sup>42</sup>	
In billion rubles										
9.8	51.0	444.8	1,021.4	51.8	201.1	300.2	513.2	710.8	986.4	Production of goods
										Including:
3.4	25.3	231.7	491.3	23.8	79.3	114.0	206.1	291.6	431.6	Industrial production
4.9	18.9	148.4	340.7	25.6	111.1	165.9	257.4	341.4	488.0	Agriculture and Forestry
1.4	6.3	63.5	185.6	2.2	7.9	14.3	39.5	73.0	61.0	Construction
0.1	0.5	1.2	3.7	0.2	2.8	6.0	10.2	4.8	5.8	Other sectors
3.4	21.7	222.9	758.4	19.6	85.5	172.0	437.5	540.8	675.3	Production of services
										Including:
0.5	3.2	9.2	42.6	3.1	12.4	15.1	42.7	99.0	88.3	Transport and communications
1.0	3.5	44.8	342.3	5.5	47.1	108.6	231.8	270.0	334.3	Trade and public catering, logistics and sales, purchases
0.0	0.1	0.2	1.0	0.0	0.1	0.1	0.9	2.5	0.0	MIS
-	0.1	0.9	3.0	0.1	0.3	0.8	2.0	5.9	3.9	Geology and prospecting
0.2	2.2	44.0	3.9	2.2	6.3	11.8	54.6	39.9	74.8	Housing and communal services domestic services
0.3	2.0	21.6	42.6	0.8	2.5	6.6	29.1	17.7	18.3	Health care, social protection, and physical education
0.5	4.6	52.1	83.7	2.7	6.4	12.3	41.4	51.5	70.7	Education, culture, and arts
0.1	0.6	1.2	5.3	0.1	0.4	0.6	0.8	2.5	2.3	Science and scientific services
-	3.1	30.7	195.5	4.0	1.9	3.2	7.9	14.1	20.4	Finance, crediting and insurance
0.8	2.2	17.6	37.0	1.0	7.8	11.4	23.8	32.5	55.8	Management
-	0.1	0.6	1.5	0.1	0.3	1.5	2.5	4.5	6.5	Public organisation
-	3.2	30.7	163.0	4.7	1.5	3.6	3.3	4.6	4.7	Implicitly measured services of financial intermediation (-)
13.2	69.5	637.0	1,616.8	66.7	285.1	468.6	947.4	1,247.0	1,657.0	Total for sectors
0.9	6.6	129.2	327.0	4.6	25.2	51.3	79.0	106.0	154.2	Tax
0.7	11.6	59.1	157.3	1.5	1.8	1.5	1.2	8.0	4.5	Subsidies
13.4	64.5	707.1	1,786.5	69.8	308.5	518.4	1,025.2	1,345.0	1,806.7	Gross domestic product

<sup>42</sup> Preliminary data.



**Capital Assets by Property Form**  
(At end of year, in prices of relevant years)

(in millions Somoni)

1991	1992	1993	1994	1995	1996	1997	1998	1999	
In billion rubles									
23.0	25.6	1,349.3	1,563.2	25.4	369.1	506.4	961.8	1,369.4	All capital assets (including cattle)
									Including:
18.3	18.7	1,125.4	1,313.6	21.6	302.1	422.3	802.2	1,142.1	Public property
0.7	1.2	76.5	77.5	0.9	16.8	20.8	39.4	56.1	Cooperative property
1.6	2.0	105.4	123.4	1.9	35.2	43.5	82.7	117.8	Collective farms property
2.4	3.7	42.0	48.7	1.0	15.0	19.8	37.5	53.4	Private property

**Capital Assets by Economy Sector**  
(At end of year, in prices of relevant years)

(in millions Somoni)

1991	1992	1993	1994	1995	1996	1997	1998	1999	
In billion rubles									
23.0	25.5	1,349.3	1,563.2	25.4	369.1	506.4	961.8	1,369.4	All capital assets (including cattle)
12.1	13.5	914.8	1,003.0	18.0	273.8	338.4	587.0	878.2	Production capital assets
									Of which :
5.6	7.1	460.0	487.0	11.0	138.6	180.9	415.3	641.9	Industrial production
5.0	4.9	385.7	444.8	6.2	115.7	130.9	127.5	190.1	Agriculture
1.5	1.5	67.8	69.2	0.8	19.0	25.5	42.5	44.6	Construction
0.0	0.0	1.3	2.0	0.0	0.5	1.1	1.7	1.6	Other sections of real sector
10.9	12.0	434.5	560.2	7.4	95.3	168.0	374.8	491.2	Non-production capital assets
									Of which:
2.1	2.2	130.4	184.9	2.1	33.3	43.2	83.6	142.3	Transport and communications
0.7	1.0	49.8	54.8	0.7	15.4	18.7	32.8	44.3	Trade, public catering, intermediates, logistics, purchases
4.7	5.4	70.9	88.0	1.6	22.3	30.5	62.1	70.8	Housing
1.0	0.8	45.8	59.6	0.7	5.2	9.4	36.9	57.0	Communal and domestic services for population
2.0	2.0	115.4	139.4	1.7	12.6	52.7	130.9	146.6	Health care, education, science, culture, and arts
0.4	0.6	22.2	33.5	0.6	6.5	13.5	28.5	30.2	Other non-production sectors

Joint Ventures Registered and Operating  
In the Territory of the Republic of Tajikistan

(in units)

	1995	1996	1997	1998	1999	2000	2001
Republic of Tajikistan	210	283	278	224	228	108	105
Including:							
Sughd Oblast	46	77	77	71	78	40	34
Khatlon Oblast	28	31	31	6	5	3	6
Dushanbe	111	145	145	130	129	62	63
Gorno-Badakhshan Autonomous Oblast	1	1	1	-	-	-	-
Districts of republican subordination	24	29	24	17	16	3	2

Major Indicators of Joint Venture Activities

	1995	1996	1997	1998	1999	2000	2001
Proceeds coming from sales of goods (works and services), in current prices, in thousands Somoni							
Total	2,260.0	8,730.2	35,023.3	47,484.2	74,263.0	124,241.7	161,683.1
Including:							
Dushanbe	-	457.6	848.5	1,488.4	1,853.3	14,488.1	16,980.4
Sughd Oblast	-	8,262.7	33,089.2	42,963.0	7,242.6	105,864.6	134,248.6
Khatlon Oblast	-	9.9	1,085.2	237.0	0.7	3,504.8	6,182.0
Districts of republican subordination	-	-	0.4	2,795.8	6.4	384.2	272.1
Production and sales of goods (works and services) costs in thousands Somoni							
Total	216.4	6,385.3	34,034.3	42,186.7	78,844.3	130,540.5	196,508.2
Including:							
Dushanbe	-	253.5	880.0	1,093.7	1,920.8	14,824.4	18,496.4
Sughd Oblast	-	6,126.5	32,503.3	40,439.1	76,910.1	108,633.2	171,180.6
Khatlon Oblast	-	5.3	647.5	295.8	8.3	3,456.4	5,566.5
Districts of republican subordination	-	-	3.5	358.1	5.1	3,626.5	1,264.7

Investment in the Republic of Tajikistan from Abroad by Operating Joint Ventures

For 1997-2001

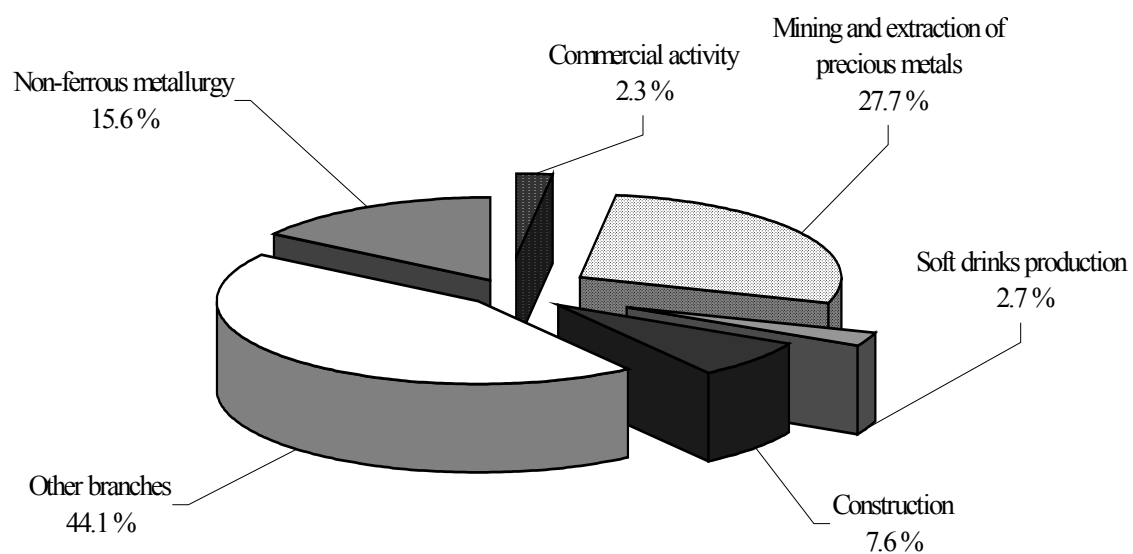
	Accumulated as of beginning of the reporting year	
	Thousands of US\$	Thousands of Somoni
Investment – total		
1997	93,493.5	33,372.8
1998	164,259.3	67,243.8
1999	274,592.6	174,966.6
2000	323,434.3	281,085.3
2001	354,225.1	416,172.5
including:		
Direct investment		
1997	92,602.2	33,066.4
1998	156,657.0	61,792.1
1999	181,822.0	88,404.1
2000	224,042.5	143,766.2
2001	240,785.1	188,445.4
including:		
Instalments in authorized capital		
1997	44,531.4	8,334.6
1998	55,496.6	17,738.8
1999	69,345.0	20,591.1
2000	105,019.5	68,693.8
2001	108,587.2	85,653.5
Credits received from foreign co-owners of enterprises		
1997	48,070.8	24,731.8
1998	87,395.8	43,443.4
1999	112,281.0	67,672.6
2000	116,494.0	73,126.5
2001	121,860.3	85,860.7
Other investment		
1997	891.3	306.3
1998	7,602.3	5,451.6
1999	92,770.6	86,562.5
2000	99,391.8	137,319.1
2001	113,440.0	227,727.1
including:		
Other credits		
1997	179.3	133.9
1998	7,140.3	5,372.1
1999	14,598.0	10,066.9
2000	23,779.2	28,773.9
2001	58,242.4	106,366.7

Investment by Enterprises Activity Category for 2001

(in Thousands US\$)

Branches	Accumulated as of beginning of 2001		Received in 2001	
	Direct	Other	Direct	Other
1	2	3	4	5
Total	240,785.1	113,440.0	8,095.4	40,943.0
including:				
Food Industry	149.6	-	-	-
Communication services	3,402.5	-	-	-
Textiles production	93,913.8	-	106.3	-
Foreign Economic activity	719.7	-	-	-
Investment	-	9,705.6	-	1,263.9
Educational services	705.8	67.1	401.1	30.3
Production of tobacco goods	30.0	-	-	-
Transport services	-	5,444.0	-	4,334.9
Production of pneumatic goods	2,843.0	-	-	-
Extraction and processing of precious metals	89,360.7	8,609.0	5,873.4	974.0
Soft drinks production	9,662.6	-	-	-
Non-ferrous metallurgy	-	55,098.5	-	-
Production of wheelchairs	201.0	-	-	-
Production of leather goods	170.5	-	-	-
Advertisement services	135.7	-	-	-
Production of Medicines	361.4	-	552.0	-
Production of canned goods	600.0	1,700.0	-	-
Consumer services	35.2	-	10.0	-
Financial consultation	1.0	26,877.3	-	31,877.6
Printing production	100.0	-	-	-
Tee production	200.0	-	-	-
Confectionery production	7.3	-	77.1	-
Construction	26,831.3	-	0.2	26.8
Mechanical Engineering	48.4	-	-	-
Commerce	8,031.3	-	825.3	-
Agriculture	947.4	-	-	-
Production of yarn, fabrics, and ready-made garments	352.9	-	250.0	-
Footwear production	997.5	-	-	-
Rehabilitation works	-	5,938.5	-	2,435.5
Banking	976.5	-	-	-

Foreign Investment Accumulation by branch for 2001



Investment by Partner Countries for 2001

(in thousands US\$)

Countries	Accumulated as of beginning of 2001		Received in 2001	
	Direct	Other	Direct	Other
1	2	3	4	5
TOTAL	240,785.1	113,440.0	8,095.4	40,943.0
including:				
CIS countries	1,292.9	-	401.1	26.8
Belarus	48.4	-	-	-
Kyrgyzstan	40.0	-	-	-
Russian Federation	1,204.5	-	401.1	26.8
Non-CIS countries	239,492.2	113,440.0	7,694.3	40,916.2
Austria	1,797.8	1,700.0	-	-
Afghanistan	20.2	-	-	-
Belgium	-	9,223.0	-	-
United Kingdom	88,603.7	63,675.5	4,964.0	974.0
Vietnam	2,157.2	-	356.3	-
Germany	170.9	5,444.0	83.3	-
Ireland	335.5	-	49.5	-
Italy	39,469.1	-	-	-
Israel	201.0	-	-	-
India	361.4	-	552.0	-
Iran	343.0	-	42.5	-
Korea	53,400.0	-	-	-
Cyprus	1,210.5	-	-	-
Canada	1,122.7	32.0	919.4	-
PR of China	2,873.7	-	-	-
Lebanon	35.2	-	-	-
Luxemburg	31,242.7	-	650.0	-
Netherlands	3,603.8	-	-	-
UAE	200.0	-	-	4,334.9
USA	1,269.0	28,470.7	-	26,682.2
Turkey	746.7	67.1	77.3	30.3
Philippines	-	4,827.7	-	8,844.8
Switzerland	2,366.5	-	-	-
Japan	-	-	-	50.0
USA	7,961.6	-	-	-

Investment by Regions of the Republic of Tajikistan for 2001

(in thousand US\$)

Regions	Accumulated as of beginning of 2001		Received in 2001	
	Direct	Other	Direct	Other
1	2	3	4	5
Total	240,785.1	113,440.0	8,095.4	40,943.0
including:				
Sughd Oblast	196,013.8	10,309.0	6,029.2	974.0
Including:				
Khujand	97,957.0	1,700.0	106.3	-
Panjakent	86,696.7	8,577.0	4,954.0	974.0
Chkalovsk	335.5	-	49.5	-
Kairakkum	1,122.7	32.0	919.4	-
Zafarobod District	1,739.3	-	-	-
Konibodom District	201.0	-	-	-
Istaravshan	7,961.6	-	-	-
Khatlon oblast	30,074.0	-	42.5	-
Including:				
Khovaling District	2,940.0	-	-	-
Vose District	26,831.0	-	-	-
Danghara District	303.0	-	42.5	-
Dushanbe	14,697.3	48,032.5	2,023.7	39,969.0
Districts of Republican Subordination	-	55,098.5	-	-
Including:				
Tursunzoda District	-	55,098.5	-	-

## (v) Annual changes in prices

## Structure of Consumer Expenses by Households

Name of goods	1998		1999		2000	
	Monthly expenses per household member (in Somoni)	% of total expenses	Monthly expenses per household member (in Somoni)	% of total expenses	Monthly expenses per household member (in Somoni)	% of total expenses
Total consumer expenses	6.23	100	11.50	100	16.39	100
<b>1. Expenses on purchase of foodstuffs</b>	4.94	79.3	10.05	87.3	14.18	86.5
	4.92	79.0	10.02	87.1	14.14	86.3
including purchase of:						
bread and bread products	2.14	34.3	5.25	45.7	5.28	32.2
Potatoes	0.19	3.1	0.40	3.5	0.68	4.1
vegetables, melons, and gourds	0.38	6.1	0.74	6.4	1.78	10.9
fruits and berries	0.19	3.1	0.45	3.9	1.88	11.5
meat and meat products	0.57	9.1	1.06	9.2	0.84	5.1
fish and fish products	0.003	0.0	0.01	0.1	0.01	0.1
milk and dairies	0.33	5.3	0.51	4.4	1.18	7.2
sugar and confectionery	0.31	5.0	0.44	3.8	0.67	4.1
Eggs	0.05	0.8	0.14	1.2	0.22	1.3
vegetable oil	0.58	9.3	0.79	6.9	0.99	6.0
tea, coffee, and non-alcoholic drinks	0.18	2.9	0.23	2.0	0.61	3.8
non-home food expenses (at public catering facilities)	0.02	0.3	0.03	0.2	0.04	0.2
<b>2. Expenses on purchase of non-alcoholic drinks</b>	0.03	0.5	0.03	0.3	0.04	0.2
<b>3. Expenses on purchase of non-foodstuffs</b>	0.98	15.7	1.06	9.1	1.68	10.3
Including purchase of:						
	0.56	9.0	0.55	4.7	0.93	5.7
building materials	0.02	0.3	0.02	0.2	0.05	0.3
fuel	0.01	0.2	0.01	0.1	0.03	0.2
products and accessories for home, furniture	0.03	0.5	0.10	0.9	0.14	0.9
medications	0.08	1.3	0.06	0.5	0.10	0.6
medical products and personal hygienic products	0.14	2.2	0.0	0.0	0.01	0.1
tobacco products	0.04	0.6	0.05	0.4	0.07	0.4
haberdashery and other goods	0.10	1.6	0.27	2.3	0.35	2.1



Name of goods	1998		1999		2000	
	Monthly expenses per household member (in Somoni)	% of total expenses	Monthly expenses per household member (in Somoni)	% of total expenses	Monthly expenses per household member (in Somoni)	% of total expenses
<b>4. Services expenses</b>	0.28	4.5	0.38	3.3	0.49	3.0
Of which:						
personal services	0.03	0.4	0.04	0.3	0.05	0.3
utilities services	0.07	1.1	0.11	1.0	0.16	0.9
services of cultural institutions	0.01	0.2	0.0	0.0	0.01	0.1
services in communications	0.01	0.1	0.01	0.1	0.01	0.1
services in passenger transport	0.13	2.0	0.18	1.5	0.22	1.3
services in education system	0.02	0.4	0.02	0.2	0.03	0.2
other services	0.02	0.3	0.02	0.2	0.01	0.1

Yearly Consumption of Foodstuffs Per Capita  
(data of random surveys of households)

	(in kilograms)							
	1991	1992	1993	1996	1997	1998	1999	2000
Meat and meat products	26.1	27.8	20.8	4.0	4.9	5.1	5.7	4.4
Milk and dairies	171	172	140	50.4	46.8	47.2	55.1	64.9
Eggs, pieces	88	99	70	11	6	6	16	36
Sugar, including confectionery	12.6	8.2	8.1	3.6	7.4	5.9	6.4	6.7
Bread products	155	186	204	154	147	152	167	148
Potatoes	33.2	33.4	29.6	24.0	25.0	22.3	24.1	37.8
Vegetables, melons, and gourds	94.2	98.3	77.3	72.0	55.5	59.9	92.4	98.5
Fruits, berries, and grapes	31.9	25.6	24.9	16.8	24.5	19.6	17.3	50.8
Vegetable oil	13.3	12.8	11.3	9.6	9.8	7.9	9.5	10.2

Prices Index for Industrial Products

(in per cent in comparison with the previous year)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
Total industries	1,416.5	1,315.4	427.8	376.1	355.2	177.5	130.2	143.6	143.5
Including:									
Electric energy	593.8	1,388.2	404.9	706.0	343.1	159.0	145.8	155.6	137.0
Fuel industry	4,097.8	2,093.3	651.5	301.7	308.1	103.2	141.7	126.4	139.7
Non-ferrous metallurgy	4,512.2	741.6	437.4	532.0	153.6	183.9	118.5	162.6	181.7
Chemical industry	2,134.1	1,648.7	480.4	344.5	541.4	142.9	158.2	140.8	127.0
Machinery construction and metal processing	2,298.0	773.8	486.2	337.2	487.9	143.1	155.5	132.5	134.3
Timber, woodworking, and pulp and paper industries	872.4	1,093.1	594.4	240.7	614.2	193.9	111.0	134.0	111.5
Building materials industry	1,555.4	1,588.6	771.0	466.5	172.4	150.7	176.2	123.6	108.8
Light industry	782.2	1,364.3	412.3	270.7	333.7	203.6	110.1	121.2	126.3
Food industry	1,033.4	1,436.1	371.1	376.9	423.9	176.0	150.8	130.2	133.7
Of which:									
Flavoring industry	753.8	1,595.2	287.8	343.3	368.5	167.8	146.4	130.6	133.8
Meat industry	1,569.4	1,473.4	503.1	410.4	354.1	213.6	154.7	133.8	100.2
Butter, cheese, and milk industry	842.6	1,102.0	475.4	491.9	325.1	146.5	237.6	96.4	131.8
Fish industry	570.3	965.4	955.5	134.2	203.9	161.1	149.4	134.1	120.9
Flour and cereals industry	1,325.0	1,283.6	608.2	422.7	508.9	156.3	107.1	119.5	124.7

Consumer Prices Index (Tariff) for Goods and Paid Services to Population

(in per cent, December compared with December of the previous year)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
All goods and services	1,420.0	7,425.5	101.1	2,483.7	140.6	259.8	102.7	130.1	160.6
Including:									
Foodstuffs <sup>43</sup>	1,430.0	9,914.8	84.4	3,108.1	137.1	273.6	97.0	129.6	166.3
Non-foodstuffs	920.0	5,180.5	112.3	1,639.6	141.2	209.9	119.2	117.6	144.2
Paid services to population	1,130.0	2,635.9	298.9	1,055.4	181.0	226.0	132.0	153.3	13.0

<sup>43</sup> Including alcoholic drinks.

Goods and Services  
(At end of year; in prices of relevant years)

(in millions Somoni)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000 <sup>44</sup>
	In billion rubles									
Released in basis prices	25.2	165.5	1,594.7	4,465.4	171.6	610.9	1,100.7	1,763.9	2,321.5	3,207.7
Import of goods and services	3.9	30.9	496.1	1,205.4	84.6	195.7	442.8	589.3	893.6	1,353.3
Tax on products	0.9	6.6	129.2	327.0	4.6	25.2	51.3	79.0	106.0	154.2
Subsidies for products (-)	0.7	11.6	59.1	157.3	1.5	1.8	1.5	1.2	8.0	4.5
Total	29.3	191.4	2,160.9	5,840.5	259.4	830.0	1,593.3	2,431.0	3,313.1	4,710.7
Interim consumption	12.0	96.0	957.7	2,848.6	104.9	325.8	632.1	816.5	1,074.5	1,550.7
Final consumption	8.8	49.5	424.4	1,256.6	49.8	209.8	366.3	786.3	1,084.3	1,355.0
Gross accumulation	1.6	21.6	276.9	652.9	20.0	68.8	102.0	158.1	240.7	252.9
Export of goods and services	3.7	37.0	326.1	1,084.2	78.2	225.6	424.1	509.6	913.6	1,537.7
Statistical variance (+; -)	3.2	-12.7	175.8	-1.8	6.4	-	68.8	160.4	0.0	14.4
Total	29.3	191.4	2,160.9	5,840.5	259.4	830.0	1,593.3	2,431.0	3,313.1	4,710.7

<sup>44</sup> Preliminary data.

**(vi) Employment in different sectors**Allotment of Population Employed in the Country's Economy by Sector in 2000

	In thousands of population	%
Total employed in the economy	1,745.0	100.0
Including:		
In production sector:		
- In industry and construction	158.0	9.1
- In agriculture and forestry (including personal agriculture)	1,133	65.0
- Transport and communications	42.0	2.4
- Trade and public catering, logistics, sales, and purchases	72.0	4.1
- Other sections of production sector	11.0	0.6
Non-production sector:		
- In housing and communal services, non-productive domestic services of population	27.0	1.5
- In health care, physical training, and social protection.	82.0	4.7
- In education	167.0	9.6
- In culture, arts, science, and scientific services.	19.0	1.1
- In public management and administration bodies, management bodies of cooperative and public organizations, in crediting and state insurance	34.0	1.9

**(vii) Levels of employment**

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Average yearly employment, in thousands	1,971	1,909	1,855	1,855	1,853	1,731	1,791	1,796	1,737	1,745
Officially registered unemployed at end of year, in thousands	-	7	22	32	37	46	51	54	50	43
Money incomes of population in prices of relevant years, in millions Somoni	10.5	43.3	462.5	520.9	45.8	185.1	348.3	593.6	738.3	899.7
Money expenses and savings in prices of relevant years, in millions Somoni <sup>5</sup>	10.0	28.8	333.2	408.3	40.4	175.1	324.4	575.5	716.1	805.1
Average monthly wage per worker in Somoni <sup>3</sup>	370	2,035	16,155	34,904	0.92	2.95	4.96	9.17	11.61	15.57
in U.S. dollars	x	x	X	x	8.8	10.1	8.9	11.8	9.4	8.5
Average monthly pension in Somoni <sup>3</sup>	169	1,444	12,503	18,032	0.39	0.88	1.06	3.02	3.53	4.06
in U.S. dollars	x	x	x	x	3.75	2.99	1.89	3.88	2.86	2.22
Minimum wage (average monthly) in Somoni <sup>3</sup>	70	1,260	8,000	8,000	0.14	0.32	0.32	1.00	1.00	1.00
in U.S. dollars	x	x	x	x	1.34	1.10	0.57	1.28	0.81	0.55
Minimum old age pension (average monthly), in Somoni <sup>3</sup>	152	1,526	12,207	11,776	0.26	0.48	0.48	2.00	2.00	4.00

Note: The employment rate in 2000 was 54.8% (the employment rate is determined as average employed population of labour force). It is required to conduct annual surveys of the republican labour market in order to obtain more complete information on population employment.

## (viii) Balance of payments

## Balance of Payments of the Republic of Tajikistan in 2000 – 2001

In thousand US\$

	2000					2001				
	I quarter	II quarter	III quarter	IV quarter	2000	I quarter	II quarter	III quarter	IV quarter	2001
I. Account of current transactions	-54,985.2	9,529.2	9,201.5	-25,668.2	-61,922.7	-13,806.2	-35,557.1	-15,680.1	4,151.9	-60,891.5
Goods and services	-70,586.0	6,731.9	11,967.5	-24,067.6	-75,954.2	-35,056.5	-52,574.2	-27,164.6	-6,705.4	-121,500.7
Commodity balance	-71,033.3	736.5	11,769.1	-23,020.8	-81,548.5	-34,398.1	-46,785.8	-28,138.3	-4,787.8	-114,110
Exports	184,551.7	216,501.3	207,542.3	230,331.2	838,926.5	170,862.4	164,689.3	153,902.5	162,116.5	651,570.7
Imports	-255,585	-215,764.8	-195,773.2	-253,352	-920,475	-205,260.5	-211,475.1	-182,040.8	-166,904.3	-765,680.7
Services balance	447.3	5,995.4	198.4	-1,046.8	5,594.3	-658.4	-5,788.4	973.7	-1,917.6	-7,390.7
Transport services	2,453.0	8,648.9	2,307.0	1,184.6	14,593.5	-339.7	-2,124.6	100.0	1,675.2	-689.1
Business trips	-110.9	-46.6	-100.9	-505.6	-764.0	-340.5	-490.4	89.6	-209.6	-950.9
Communications services	154.2	180.8	792.5	-17.1	1,110.4	640.2	153.3	254.3	-209.0	838.8
Construction services	65.5	-316.7	-904	145.5	-1,009.7	1,196.3	-300.2	614.9	204.5	1,715.5
Insurance services	-1,370.1	-1,139.1	-1,109.5	-1,558.6	-5,177.3	-1,690.7	-1,713.7	-1,406.9	-1,325.7	-6137
Financial services	-501.8	-62.9	-38.1	-36.6	-639.4	189.6	-1,515.8	70.9	-1,091.3	-2,346.6
Other services	-242.6	-1,269	-748.6	-259	-2,519.2	-313.6	203.0	1,250.9	-961.7	178.6
Incomes	-1,861.3	-2,763.1	-8,893.9	-7,063.8	-20,582.1	-4,937.2	-5,035.3	-3,721.2	-4,798.8	-18,492.5
Wages	22.6	144	11.4	44	222	9.6	28	-63.2	-128.1	-153.7
Income from direct investment	0.0	-34.0	0.0	0.0	-34.0	0.0	0.0	0.0	0.0	0
Income from other investment	-1,883.9	-2,873.1	-8,905.3	-7,107.8	-20,770.1	-4,946.8	-5,063.3	-3658	-4,670.7	-18,338.8
Transfers	17,462.1	5,560.4	6,127.9	54,63.2	34,613.6	26,187.5	22,052.4	15,205.7	15,656.1	79,101.7
Received	17,785	5,962.0	6,471.6	6,265.0	36,483.6	26,800.3	25,289.0	18,278.5	22,660.6	93,028.4
Granted	-322.9	-401.6	-343.7	-801.8	-1,870.0	-612.8	-3,236.6	-3,072.8	-7,004.5	-13,926.7
II. Account of capital movement and financial accounts	-3,878.6	-13,274.3	27,814.2	56,660.8	67,322.1	-9,795.2	-3,389.7	46,345.8	24,306.2	57,467.1
Financial transactions accounts	-3,878.6	-13,274.3	27,814.2	56,660.8	67,322.1	-9,795.2	-3,389.7	46,345.8	24,306.2	57,467.1
Direct investment	13,127.9	4,966.4	4,075.4	1,373.6	23,543.3	4,181.0	1,938.8	1,536.7	1,838.9	9,495.4
Portfolio investment	1Д	264.3	10.7	0.2	276.3	0.0	0.0	0.0	0.0	0.0
Other investment	-17,007.6	-18,505	23,728.1	55,287.0	43,502.5	-13,976.2	-5,328.5	44,809.1	22,467.3	47,971.7
Assets	-19,156.0	-18,730.5	21,938.5	-6,978.8	-62,926.8	-14,389.2	-15,415.1	11,095.9	6,434.2	-12,274.2
Foreign currency in cash	-339.2	-204.7	48.9	-5.2	-500.2	-186.1	-419.3	320.6	-616.6	-901.4
Balance in current and savings accounts	86.0	-1,019.7	-1,737.8	731.4	-1,940.1	-2,346.9	2,453.3	2,362.5	-211.4	2,257.5
Credits and advances regarding trade	-9,362.0	-13,160.2	21,251.9	-61,037.1	-62,307.4	-12,573.4	-12,908.2	7,553.6	5,718.4	-12,209.6
Credits and debts	-222.4	-249.3	3,188.6	990	3,706.9	0.0	0.0	-114.1	725.6	611.5
Other assets	-9,318.4	-4,096.6	-813.1	12,342.1	-1,886	717.2	-4,540.9	973.3	818.2	-2,032.2
Liabilities	2,148.4	225.5	1,789.6	102,265.8	106,429.3	413.0	10,086.6	33,713.2	16,033.1	60,245.9

	2000					2001				
	I quarter	II quarter	III quarter	IV quarter	2000	I quarter	II quarter	III quarter	IV quarter	2001
Balance in current and savings accounts	1,687.1	859.1	1,446.3	2,104.3	6,096.8	-31.5	-2,554.1	1,188.4	2,889.9	1,492.7
Credits and advances regarding trade	36,227.7	10,935.5	0.0	29,660.4	76,823.6	12,977.4	9,481.2	-4,311.3	-1,162.2	16,985.1
Credits and debts paid	1,288.0	-5,763.0	-704.9	12,36.6	6,956.7	-23,804.2	-2,059.7	35.2	-6,944.9	-32,773.6
Other liabilities	-37,054.4	-5,806.1	1,048.2	58,364.5	16,552.2	11,271.3	5,219.2	36,800.9	21,250.3	74,541.7
ERRORS AND DISTORTIONS	44,911.0	-1,207.7	-42,915.1	-18,373.0	-17,584.8	5,150.7	28,573.2	-16,274.7	-33,682.4	-16,233.2
TOTAL BALANCE	-13,952.8	-4952.8	-5,899.4	12,619.6	-12,185.4	-18,450.7	-10,373.6	14,391.0	-5,224.3	-19,657.6
CAPITAL INVESTMENT	13,952.8	4,952.8	5,899.4	-12,619.6	12,185.4	18,450.7	10,373.6	-14,391.0	5,224.3	19,657.6
Reserve assets (National Bank of Tajikistan)	-2,679.8	4,776.0	-3,066.1	-28,095.1	-29,065	8,079.4	-2,290.0	-23,146.7	9,848.9	-7,508.4
IMF credits	--	--	--	--	--	-3,614.7	4,110.6	5,180.7	-2,392.6	3,284.0
Received	--	--	--	--	--	0.0	7,646.5	7,508.2	0.0	15,154.7
Paid	--	--	--	--	--	3,614.7	3,535.9	2,327.5	2,392.6	11,870.7
Indebtedness	15,388.6	-2,456.2	-2,459.5	5,311.5	15,784.4	6,570.0	2,472.0	0.0	6,130.0	15,172.0
Contingents amounts	15,388.6	-2,456.2	-2,459.5	5,311.5	15,784.4	-48,864.0	6,081.0	3,575.0	-8,362.0	-47,570.0
Indebtedness (Restructuring)	0.0	§	0.0	0.0	0.0	56,280.0	0.0	0.0	0.0	56,280.0

**(ix) Foreign exchange**

Statistics of the foreign exchange transaction is provided to the National Bank by authorized banks. The National Bank of Tajikistan prepares consolidated data on purchase-sales of foreign currencies in the domestic market and prepares information on the exchange rate used. This information is published in the Bulletin of the National Bank "Akhbor" and the Information Bulletin.



**(b) Foreign trade statistics****(i) Foreign Trade (aggregates at the two-digit HS level)****Exports of the Republic of Tajikistan by Commodity Group****(in millions of US\$)**

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Livestock and products livestock breeding	0.1	0.0	0.0	0.4	0.1	0.1	0.0	0.3	0.1	0.0	0.1
Products of vegetation origin	1.8	2.0	1.5	0.8	0.2	0.0	23.8	25.3	15.8	19.2	18.2
Vegetable and animal oils and fats	0.4	0.0	-	0.1	-	0.0	0.0	0.0	0.0	0.0	0.0
Products of food industry, alcoholic and non-alcoholic drinks, tobacco and its substitutes	4.5	10.3	17.9	10.3	4.0	104.6	12.7	9.5	11.7	11.6	8.8
Mineral products	0.5	2.1	3.1	3.4	126.1	187.5	159.0	117.9	176.5	93.8	80.9
Products of chemical industry	1.6	2.7	1.4	2.9	0.2	3.8	1.8	11.2	9.0	9.5	5.4
Plastic and products from them	0.0	0.0	0.0	0.0	0.1	0.3	0.3	0.1	0.1	0.1	0.1
Leather raw materials, leather, peltry ware, fur raw materials, and products from them	0.0	0.0	0.5	0.1	-	0.4	0.7	0.5	0.4	0.8	0.4
Wood and products from wood	0.0	0.0	0.1	0.0	-	0.0	-	0.0	0.0	0.0	0.0
Paper stock, paper and paperboard waste, and old paper stock	0.0	-	0.0	0.0	-	0.1	0.0	0.3	0.1	0.1	0.2
Textile and textile products	35.6	32.1	107.1	171.4	218.5	184.2	210.4	148.3	129.6	130.2	104.3
Shoes, hats, and others	0.1	0.4	0.1	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0
Products from stone, gypsum, and cement	1.3	0.5	0.9	0.9	0.0	0.2	1.7	0.5	0.2	0.0	0.0
Pearls, precious metals, and others	-	-	-	-	0.1	0.0	31.9	27.9	24.6	24.4	22.6
Non-precious metals	17.5	125.1	178.8	272.9	390.9	284.3	259.8	240.2	312.8	436.6	399.9
Machinery, equipment, mechanisms, their parts, and others	3.4	13.5	10.4	7.6	3.5	3.1	4.9	3.8	2.5	15.2	2.5
Means of land, air, and sea transport	0.9	3.0	5.9	2.8	2.8	1.4	11.0	10.1	4.4	42.0	7.8
Optical equipment, musical instruments, watches, etc.	-	-	-	-	-	0.0	0.0	0.1	0.4	0.1	0.0
Various industrial goods	0.2	0.8	22.1	18.3	2.1	0.1	0.2	0.2	0.3	0.2	0.2
Products of arts	-	-	-	-	-	0.0	-	0.0	-	0.0	0.0
Other un-decoded products	-	-	-	-	-	-	27.3	0.4	0.2	0.5	0.1
Total	67.9	192.5	349.8	491.9	748.6	770.1	745.7	596.6	688.7	784.3	651.5

Imports of the Republic of Tajikistan by Commodity Group

(in million US\$)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Livestock and products livestock breeding	4.3	2.5	4.1	1.9	-	0	1.4	1.1	0.6	1.1	0.9
Products of vegetation origin	8.0	40.9	133.1	82.4	48.7	57.1	28.0	46.4	48.2	46.9	39.9
Vegetable and animal oils and fats	0.5	0.5	1.3	7.2	1.4	2.9	9.9	5.8	4.2	6.5	7.4
Products of food industry, alcoholic and non-alcoholic drinks, tobacco and its substitutes	5.9	2.0	18.6	7.8	5.7	89.2	39.6	28.2	16.3	14.9	10.6
Mineral products	5.1	39.0	218.7	303.6	593.6	360.1	425.0	398.3	388.2	254.0	257.2
Products of food industry, alcoholic and non-alcoholic drinks, tobacco and its substitutes	3.4	2.4	34.3		20.2	27.2	41.4	49.5	77.9	237.3	234.0
Plastic and products from them	1.4	2.2	2.3	1.9	6.2	3.6	8.0	8.8	5.5	5.6	9.6
Leather raw materials, leather, peltry ware, fur raw materials, and products from them	0.5	0.3	0.1	0.1	0.0	0.4	0.4	0.1	0.0	0.1	0.1
Wood and products from wood	2.2	2.6	2.7	1.4	7.1	3.7	2.7	5.8	8.0	6.1	7.9
Paper stock, paper and paperboard waste, and old paper stock	0.7	2.4	1.2	1.2	2.1	2.4	2.3	27.5	3.1	3.0	9.1
Textile and textile products	12.6	22.7	23.9	8.8	5.6	4.7	7.0	10.1	7.8	6.9	9.7
Shoes, hats, and others	1.7	1.0	3.8	1.1	0.6	1.8	2.8	2.3	2.7	2.2	2.8
Products from stone, gypsum, and cement	0.7	1.5	2.6	0.9	1.0	0.9	3.2	7.1	5.0	5.3	6.5
Pearls, precious metals, and others	2.4	0.3	0.1	-	0.0	-	0.1	0.1	0.5	0.0	0.0
Non-precious metals	3.4	17.6	18.1	10.3	11.7	18.8	13.5	20.9	17.4	10.3	12.7
Machinery, equipment, mechanisms, their parts, and others	3.7	6.2	34.2	66.8	80.8	80.9	60.8	52.7	44.8	39.3	37.0
Means of land, air, and sea transport	3.8	3.4	6.6	0.7	12.4	10.9	25.6	38.1	26.3	26.3	32.8
Optical equipment, musical instruments, watches, etc.	0.0	-	5.8	0.0	0.0	0.0	1.4	4.3	0.8	1.8	3.2
Various industrial goods	2.9	3.2	20.6	35.9	12.8	3.5	0.9	2.9	4.3	4.9	4.7
Products of arts	-	-	-	-	-	0.0	-	0.0	0.1	0.0	0.0
Other un-decoded goods	-	-	-	-	-	-	76.3	1.0	1.4	2.5	1.4
Total	63.2	160.7	532.1	547.0	809.9	668.1	750.3	711.0	663.1	675.0	687.5

## (ii) Export statistics

1991-2001

	1991		1992		1993	1994	1995	1996	1997	1998	1999	2000	2001									
	Not calculated for Other World Countries category																					
	Mln.	In % to	Mln.	In % to																		
	US\$	total	US\$	total																		
Total	67.9	100.0	193	100.0	349.8	100.0	491.9	100.0	748.6	100.0	770.1	100.0	745.7	100.0	596.6	100.0	688.7	100.0	784.3	100.0	651.5	100.0
including:																						
CIS COUNTRIES	53.5	78.8	84.1	43.7	122.8	35.1	92.5	18.8	251.6	33.6	331.0	43.0	273.0	36.6	202.8	34.0	315.0	45.7	373.8	47.7	211.4	32.4
Customs Union countries	41.6	61.3	58.6	30.4	89.6	25.6	61.3	12.5	107.2	14.3	118.1	15.3	85.4	11.5	66.3	11.1	125.7	18.2	268.9	34.3	111	17.1
Belarus	1.9	2.8	3.5	1.8	6.7	1.9	3.1	0.6	2.3	0.3	4.3	0.6	2.9	0.4	2.6	0.4	3.1	0.5	1.7	0.2	1.4	0.2
Kazakstan	7.2	10.6	12.5	6.5	16.3	4.7	10.1	2.1	7.0	0.9	24.3	3.2	10.0	1.3	10.0	1.7	3.6	0.5	5.7	0.7	3.1	0.5
Kyrgyz Republic	1.0	1.5	2.0	1.0	4.1	1.2	1.9	0.4	2.6	0.3	10.5	1.4	9.0	1.2	5.8	1.0	3.9	0.5	2.7	0.4	2.0	0.3
Russian Federation	31.5	46.4	40.6	21.1	62.5	17.9	46.2	9.4	95.3	12.7	79.0	10.3	63.5	8.5	47.9	8.0	115.1	16.7	258.8	33.0	105	16.1
Other CIS countries	11.9	17.5	25.5	13.3	33.2	9.5	31.2	6.3	144.4	19.3	212.9	27.7	187.6	25.2	136.5	22.9	189.3	27.5	104.9	13.4	100.2	15.4
Azerbaijan	0.7	1.0	3.3	1.7	1.1	0.3	0.2	0.0	0.9	0.1	2.6	0.4	0.1	0.0	0.4	0.1	0.0	0.0	0.4	0.1	0.5	0.1
Armenia	0.6	0.9	0.3	0.2	-	-	0.0	0.0	-	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-
Georgia	0.3	0.4	0.1	0.1	0.0	0.0	-	-	-	-	0.3	0.0	-	-	0.0	0.0	0.0	0.0	0.1	0.0	-	-
Moldova	0.1	0.1	0.4	0.2	3.4	1.0	1.4	0.3	-	-	0.1	0.0	0.5	0.1	0.0	0.0	0.0	0.0	-	-	-	-
Turkmenistan	1.7	2.5	3.7	1.9	3.5	1.0	1.8	0.4	2.2	0.3	8.5	1.1	10.2	1.4	8.7	1.5	1.3	0.2	4.7	0.6	9.7	1.5
Uzbekistan	4.2	6.2	7.7	4.0	20.3	5.8	22.7	4.6	132.0	17.7	190.7	24.8	172.5	23.1	125.7	21.1	181.0	26.3	97.8	12.5	87.2	13.4
Ukraine	4.3	6.3	10.0	5.2	4.9	1.4	5.1	1.0	9.3	1.2	10.7	1.4	4.3	0.6	1.7	0.3	7.0	1.0	1.9	0.2	2.8	0.4
Other world countries	14.4	21.2	108	56.3	227.0	64.9	399.4	81.2	497.0	66.4	439.1	57.0	472.7	63.4	393.8	66.0	373.7	54.3	410.5	52.3	440	67.6
EUROPE					185.3	53.0	344.6	70.1	445.3	59.5	382.8	49.7	433.4	58.1	363.7	61.0	340.1	49.4	318.7	40.6	319	49.0
EU COUNTRIES					165.7	47.3	259.4	52.7	346.6	46.3	265.8	34.5	268.9	36.0	258.6	43.3	248.3	36.0	220.2	28.1	214	32.8
Austria					10.8	3.1	16.7	3.4	9.7	1.3	3.5	0.5	5.2	0.7	1.0	0.2	0.1	0.0	0.3	0.0	0.8	0.1
Belgium					15.2	4.3	30.5	6.2	32.7	4.4	5.5	0.7	14.7	2.0	12.8	2.1	7.0	1.0	5.1	0.7	6.0	0.9
United Kingdom					119.9	34.3	30.3	6.2	20.7	2.8	15.2	2.0	6.5	0.9	5.1	0.9	5.5	0.8	6.0	0.8	2.5	0.4
Germany					0.7	0.2	13.0	2.6	4.6	0.6	2.6	0.3	2.4	0.3	1.4	0.2	0.1	0.0	0.4	0.0	0.2	0.0
Denmark					-	-	-	-	-	-	0.1	0.0	0.1	0.0	-	-	-	-	-	-	-	-
Ireland					-	-	-	-	0.3	0.0	0.5	0.1	0.0	0.0	0.1	0.0	0.1	0.0	-	-	-	-
Spain					-	-	0.4	0.1	0.7	0.1	0.3	0.0	0.2	0.0	0.6	0.1	0.3	0.0	0.1	0.0	2.0	0.3
Italy					2.5	0.7	0.4	0.1	2.4	0.3	6.7	0.9	7.7	1.0	9.8	1.6	4.9	0.7	21.4	2.8	5.7	0.9
Netherlands					1.1	0.3	147.6	30.0	255.2	34.1	218.0	28.3	229.4	30.8	221.4	37.1	222.3	32.3	178.2	22.7	194	29.8
Portugal					-	-	-	-	-	-	-	-	-	-	0.1	0.0	0.4	0.1	0.7	0.1	1.6	0.2
Finland					7.8	2.2	18.1	3.7	20.1	2.7	8.9	1.2	0.2	0.0	0.0	0.0	-	-	-	-	0.1	0.0
France					-	-	-	-	0.2	0.0	4.4	0.6	2.2	0.3	5.8	1.0	3.8	0.6	1.9	0.2	0.1	0.0
Greece					0.1	0.0	1.6	0.3	-	-	0.1	0.0	-	-	0.1	0.0	3.7	0.5	6.0	0.8	-	-
Sweden					7.6	2.2	0.8	0.2	-	-	-	-	0.3	0.0	0.4	0.1	0.1	0.0	0.1	0.0	0.1	0.0

	1991		1992		1993		1994		1995		1996		1997		1998		1999		2000		2001	
	Not calculated for Other World Countries category																					
	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to
	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total
Other European countries	1.6	2.4	1.3	0.7	19.8	5.6	85.2	17.4	98.7	13.2	117.0	15.2	164.2	22.1	105.1	17.7	91.8	13.4	98.5	12.5	106	16.2
Bulgaria					0.5	0.1	0.7	0.2	0.4	0.1	0.1	0.0	-	-	0.1	0.0	0.7	0.1	0.2	0.0	0.1	0.0
Bosnia-Herzegovina					-	-	-	-	-	-	-	-	-	-	-	-	0.2	0.0	-	-	-	-
Hungary					0.0	0.0	3.4	0.7	13.5	1.8	10.5	1.4	12.8	1.7	0.9	0.2	-	-	1.0	0.1	38.8	6.0
Latvia	0.6	0.9	0.7	0.4	7.2	2.1	3.4	0.7	21.0	2.8	9.5	1.2	6.4	0.9	1.9	0.3	8.3	1.2	14.3	1.8	11.7	1.8
Lithuania	0.4	0.6	0.2	0.1	4.5	1.3	13.6	2.8	9.1	1.2	5.6	0.7	0.6	0.1	0.1	0.0	0.1	0.0	-	-	-	-
Liechtenstein					-	-	-	-	-	-	1.0	0.1	-	-	-	-	-	-	-	-	-	-
Malta					-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-
Norway					-	-	12.1	2.5	5.4	0.7	0.6	0.1	-	-	0.0	0.0	0.2	0.0	-	-	-	-
Poland					0.0	0.0	0.8	0.2	0.5	0.1	-	-	0.4	0.1	0.1	0.0	0.2	0.0	0.1	0.0	0.2	0.0
Romania					-	-	1.5	0.3	2.2	0.3	1.2	0.2	1.7	0.2	0.3	0.1	0.2	0.0	0.6	0.1	0.2	0.0
San-Marino					-	-	-	-	-	-	-	-	0.1	0.0	-	-	0.2	0.0	-	-	0.0	0.0
Slovakia					-	-	3.4	0.7	0.7	0.1	3.8	0.5	0.9	0.1	4.2	0.7	6.3	0.9	9.9	1.3	2.6	0.4
Slovenia					-	-	-	-	3.9	0.5	1.3	0.2	0.1	0.0	1.9	0.3	0.3	0.0	-	-	-	-
Czech Republic					1.5	0.4	0.8	0.2	2.2	0.3	0.1	0.0	0.3	0.0	-	-	-	-	-	-	-	-
Switzerland					5.8	1.7	44.9	9.1	37.2	5.0	82.5	10.7	140.7	18.9	94.9	16.0	75.0	10.9	72.2	9.2	52.2	8.0
Estonia	0.6	0.9	0.4	0.2	0.1	0.0	0.6	0.1	2.6	0.3	0.8	0.1	0.5	0.1	0.7	0.1	0.1	0.0	0.2	0.0	0.0	0.0
ASIA					26.5	7.6	27.6	5.6	36.3	4.8	45.4	5.9	34.2	4.6	28.0	4.7	32.2	4.7	90.1	11.5	119	18.3
Afghanistan					0.8	0.2	0.8	0.2	0.3	0.0	1.5	0.2	0.8	0.1	0.6	0.1	2.2	0.3	2.6	0.3	3.1	0.5
Vietnam					-	-	1.2	0.3	0.3	0.0	0.7	0.1	1.9	0.3	1.3	0.2	2.4	0.3	1.6	0.2	2.1	0.3
Israel					0.0	0.0	0.2	0.0	-	-	0.1	0.0	0.0	0.0	-	-	-	-	-	-	0.0	0.0
India					-	-	0.1	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-	0.0	0.0	-	-
Indonesia					-	-	-	-	-	-	-	-	-	-	-	-	0.2	0.0	-	-	-	-
Jordan					0.0	0.0	-	-	-	-	-	-	-	-	0.1	0.0	-	-	-	-	-	-
Iraq					0.1	0.0	0.7	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Iran					-	-	1.4	0.3	0.7	0.1	1.7	0.2	3.5	0.5	13.6	2.3	13.5	2.0	12.5	1.6	29.9	4.6
Cyprus					0.0	0.0	-	-	0.3	0.0	0.4	0.1	0.1	0.0	-	-	0.1	0.0	0.0	0.0	-	-
PR of China					0.1	0.0	1.4	0.3	5.6	0.7	6.2	0.8	13.4	1.8	4.9	0.8	2.6	0.4	3.4	0.4	1.4	0.2
DPR of Korea					0.5	0.1	-	-	3.3	0.4	5.2	0.7	0.5	0.1	0.4	0.1	0.0	0.0	-	-	-	-
Lebanon																					0.0	0.0
Malaysia					-	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-	-	-	-	-
Mongolia					0.4	0.1	0.3	0.1	-	-	-	-	-	-	-	-	-	-	0.1	0.0	0.0	0.0
UAE					-	-	-	-	-	-	0.1	0.0	0.9	0.1	6.0	1.0	2.2	0.3	0.4	0.1	0.3	0.0
Pakistan					0.8	0.2	-	-	-	-	1.5	0.2	1.3	0.2	0.3	0.1	0.1	0.0	0.1	0.0	0.2	0.0
Republic of Korea					0.9	0.3	2.9	0.6	9.3	1.2	24.9	3.2	3.2	0.4	0.2	0.0	7.4	1.1	10.9	1.4	7.0	1.1

	1991		1992		1993		1994		1995		1996		1997		1998		1999		2000		2001		
	Not calculated for Other World Countries category																						
	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	
	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$
Saudi Arabia					-	-	-	-	-	-	0.1	0.0	0.1	0.0	0.2	0.0	0.1	0.0	0.0	0.0	0.0	0.0	
Syria					-	-	-	-	-	-	0.0	0.0	-	-	-	-	-	-	0.1	0.0	-	-	
SAR Hong Kong					-	-	-	-	-	-	0.4	0.1	0.1	0.0	-	-	-	-	-	-	0.0	0.0	
Turkey					5.2	1.5	7.6	1.5	8.1	1.1	1.9	0.2	8.2	1.1	0.4	0.1	1.0	0.1	58.4	7.5	75.1	11.5	
Sri Lanka					-	-	-	-	-	-	0.5	0.1	0.2	0.0	-	-	0.4	0.1	-	-	-	-	
Japan					17.7	5.1	11.0	2.2	8.2	1.1	0.2	0.0	-	-	-	-	-	-	-	-	-	-	
AMERICAS					15.1	4.3	27.1	5.5	15.3	2.1	10.8	1.4	4.7	0.6	1.8	0.3	0.9	0.1	0.6	0.1	1.2	0.2	
Virgin islands					-	-	-	-	-	-	-	-	-	-	0.1	0.0	0.1	0.0	-	-	0.2	0.0	
Canada					-	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-	0.0	0.0	0.0	0.0	
Panama					-	-	-	-	0.5	0.1	-	-	-	-	-	-	-	-	-	-	-	-	
USA					15.1	4.3	27.1	5.5	14.8	2.0	10.8	1.4	4.7	0.6	1.7	0.3	0.8	0.1	0.6	0.1	1.0	0.2	
AFRICA					0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.4	0.1	0.3	0.0	0.5	0.1	1.1	0.1	0.5	0.1	
Benin					-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-	-	-	
Djibouti					-	-	-	-	-	-	0.1	0.0	0.4	0.1	0.2	0.0	0.3	0.1	0.2	0.0	0.2	0.0	
Egypt					-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	0.1	0.0	
Congo					-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	0.5	0.1	0.2	0.0	
Mauritania					-	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Nigeria					0.1	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-	
Chad					-	-	-	-	-	-	-	-	-	-	0.1	0.0	-	-	-	-	-	-	
Somalia					-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2	0.0	-	-	
Tunisia					-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-	-	-	
South Africa					-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-	
Equatorial Guinea					-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	0.1	0.0	-	-	
AUSTRALIA																							
AND OCEANIA					0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Australia					0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

iii. Import of the Republic of Tajikistan by countries for 1991-2002

	1991		1992		1993		1994		1995		1996		1997		1998		1999		2000		2001			
	Figures were not calculated for the Other World countries category																							
	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	
total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total
Total	63.2	100.0	160.7	100.0	532.1	100.0	547.0	100.0	809.9	100.0	668.1	100.0	750.3	100.0	711.0	100.0	663.1	100.0	675.0	100.0	687.5	100.0		
including:																								
CIS COUNTRIES	51.8	82.0	121.8	75.8	256	48.1	233.1	42.6	478.0	59.0	382.5	57.3	482.2	64.3	446.2	62.8	514.7	77.6	560	82.9	537.8	78.2		
Custom Union countries	32.2	51.0	78.9	49.1	158	29.7	95.8	17.5	165.6	20.4	137.0	20.5	165.9	22.1	166.9	23.5	181.5	27.4	197	29.2	226.8	33.0		
Belarus	1.0	1.6	3.4	2.1	6.7	1.3	1.3	0.2	0.4	0.0	3.0	0.4	3.3	0.5	7.6	1.1	3.1	0.5	2.3	0.3	2.6	0.4		
Kazakstan	5.5	8.7	15.1	9.4	65.5	12.3	32.8	6.0	26.5	3.3	52.4	7.8	42.1	5.6	51.9	7.3	78.8	11.9	82.4	12.2	89.1	13.0		
Kyrgyz Republic	4.1	6.5	2.5	1.6	2.1	0.4	1.0	0.2	2.7	0.3	7.2	1.1	5.4	0.7	5.3	0.7	7.2	1.1	7.5	1.1	5.7	0.8		
Russian Federation	21.6	34.2	57.9	36.0	83.8	15.7	60.7	11.1	136.0	16.8	74.4	11.2	115.1	15.3	102.1	14.4	92.4	13.9	105	15.6	129.4	18.8		
Other CIS countries	19.6	31.0	43.0	26.7	97.7	18.4	137	25.1	312.4	38.6	245.5	36.8	316.3	42.2	279.3	39.3	333.2	50.2	362	53.7	311.0	45.2		
Azerbaijan	0.6	0.9	1.4	0.9	1.1	0.2	0.2	0.0	1.2	0.2	0.0	0.0	3.2	0.5	1.8	0.3	15.6	2.3	63.1	9.4	33.5	4.9		
Armenia	0.5	0.8	0.2	0.1	0.1	0.0	0.3	0.1	0.2	0.0	0.1	0.0	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0		
Georgia	3.4	5.4	0.3	0.2	0.3	0.1	0.5	0.1	-	-	0.8	0.1	0.8	0.1	0.8	0.1	0.3	0.0	0.1	0.0	0.8	0.1		
Moldova	0.6	0.9	0.4	0.2	0.4	0.1	0.1	0.0	-	-	0.2	0.0	0.5	0.1	1.5	0.2	0.0	0.0	0.0	0.0	0.0	0.0		
Turkmenistan	3.4	5.4	18.0	11.2	26.0	4.9	39.4	7.2	57.4	7.1	26.3	4.0	29.6	4.0	31.3	4.4	15.2	2.3	29.3	4.3	62.3	9.1		
Uzbekistan	6.3	10.0	13.7	8.5	65.4	12.3	83.2	15.2	251.4	31.0	198.9	29.8	261.5	34.8	227.3	32.0	264.4	39.9	186	27.5	150.7	21.9		
Ukraine	4.8	7.6	9.0	5.6	4.4	0.8	13.6	2.5	2.2	0.3	19.2	2.9	20.7	2.7	16.6	2.3	37.7	5.7	84.3	12.5	63.6	9.3		
Other world countries	11.4	18.0	38.9	24.2	276	51.9	314	57.4	331.9	41.0	285.6	42.7	268.1	35.7	264.8	37.2	148.4	22.4	115	17.1	149.7	21.8		
EUROPE					251	47.1	255.0	46.6	281.8	34.8	221.9	33.2	229.5	30.5	202.9	28.5	121.3	18.3	82.8	12.3	66.7	9.7		
EU COUNTRIES					227.0	42.6	129.7	23.7	210.2	26.0	107.7	16.2	28.9	3.8	26.6	3.7	83.0	12.5	29.1	4.3	41.4	6.0		
Austria					9.9	1.9	9.6	1.8	1.4	0.2	0.6	0.1	1.6	0.2	0.9	0.1	0.2	0.0	0.1	0.0	0.8	0.1		
Belgium					21.0	3.9	22.8	4.2	25.1	3.1	0.3	0.0	0.9	0.1	0.8	0.1	0.3	0.1	0.7	0.1	2.5	0.4		
United Kingdom					16.4	3.1	68.0	12.4	161.2	19.9	78.3	11.7	10.1	1.3	3.8	0.5	70.5	10.7	2.6	0.4	2.5	0.4		
Germany					9.3	1.7	5.4	1.0	14.2	1.7	9.1	1.4	4.1	0.6	14.2	2.0	6.0	0.9	6.7	1.0	4.1	0.6		
Denmark					1.3	0.2	0.8	0.1	-	-	0.0	0.0	0.2	0.0	0.4	0.1	0.1	0.0	0.2	0.0	0.3	0.0		
Ireland					-	-	1.9	0.3	3.8	0.5	1.5	0.3	1.5	0.2	0.2	0.0	0.3	0.0	0.7	0.1	0.0	0.0		
Spain					-	-	-	-	-	-	0.0	0.0	-	-	0.6	0.1	0.2	0.0	0.1	0.0	2.9	0.4		
Italy					5.4	1.0	0.8	0.1	-	-	1.4	0.2	2.2	0.3	2.6	0.4	3.9	0.6	17.3	2.6	20.0	2.9		
Netherlands					-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.1	0.0	-	-	-	-		
Portugal					116	21.7	16.4	3.0	3.8	0.5	5.3	0.8	3.0	0.4	1.5	0.2	0.9	0.2	0.5	0.1	0.3	0.0		
Finland					4.2	0.8	0.0	0.0	0.1	0.0	3.3	0.5	0.6	0.1	0.2	0.0	0.0	0.0	0.1	0.0	0.3	0.0		
France					25.4	4.8	1.5	0.3	0.6	0.1	7.4	1.1	4.6	0.6	0.7	0.1	0.3	0.0	0.1	0.0	0.3	0.0		
Greece					0.1	0.0	0.0	0.0	-	-	0.4	0.1	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	7.4	1.1		
Sweden					18.4	3.5	2.5	0.5	0.0	0.0	0.1	0.0	0.1	0.0	0.6	0.1	0.1	0.0	0.0	0.0	-	-		
Other European countries	1.1	1.7	1.9	1.1	23.8	4.5	125	22.9	71.6	8.8	114.2	17.0	200.6	26.7	176.3	24.8	38.3	5.8	53.7	8.0	25.3	2.6		
Albania					-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-		

	1991		1992		1993		1994		1995		1996		1997		1998		1999		2000		2001	
	Figures were not calculated for the Other World countries category																					
	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	
	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total
Bulgaria					0.0	0.0	0.3	0.1	-	-	4.9	0.7	1.8	0.2	1.0	0.1	0.6	0.1	0.2	0.0	0.3	0.0
Bosnia-Herzegovina																					0.0	0.0
Hungary					3.0	0.5	0.0	0.0	0.3	0.0	0.1	0.0	0.2	0.0	0.3	0.0	0.2	0.0	0.1	0.0	0.7	0.1
Gibraltar					-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	0.2	0.0	-	-	-	-
Iceland					-	-	-	-	-	-	-	-	0.2	0.0	0.0	0.0	-	-	-	-	-	-
Latvia	0.5	0.8	0.7	0.4	1.1	0.2	1.1	0.2	5.0	0.6	1.5	0.2	0.4	0.1	0.3	0.0	0.4	0.1	0.6	0.1	2.7	0.4
Lithuania	0.4	0.6	0.8	0.5	4.3	0.8	13.6	2.5	0.7	0.1	1.9	0.3	2.6	0.3	3.5	0.5	3.3	0.5	5.9	0.9	2.6	0.4
Liechtenstein					-	-	2.0	0.4	2.8	0.3	55.1	8.2	167.9	22.4	50.4	7.1	0.1	0.0	-	-	-	-
Malta					0.9	0.2	0.1	0.0	-	-	0.0	0.0	0.1	0.0	-	-	-	-	-	-	-	-
Norway					5.3	1.0	6.6	1.2	7.9	1.0	-	-	-	-	0.0	0.0	0.1	0.0	0.0	0.0	0.4	0.1
Poland					4.0	0.8	0.1	0.0	-	-	0.1	0.0	7.5	1.0	8.8	1.3	3.6	0.5	4.8	0.7	4.9	0.7
Romania					-	-	-	-	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	3.3	0.5	41.0	6.1	10.8	1.6
Slovakia					-	-	-	-	0.0	0.0	0.5	0.1	1.3	0.2	0.6	0.1	0.1	0.0	-	-	0.1	0.0
Slovenia					-	-	-	-	-	-	-	-	-	-	0.3	0.0	-	-	-	-	-	-
Czech Republic					0.6	0.1	2.4	0.4	1.4	0.2	1.4	0.2	1.0	0.1	1.3	0.2	0.4	0.1	0.5	0.1	0.5	0.1
Switzerland					4.3	0.8	98.3	18.0	48.8	6.0	44.7	6.7	17.1	2.3	107.5	15.2	24.9	3.8	0.6	0.1	2.1	0.3
Estonia	0.2	0.3	0.4	0.2	0.3	0.1	0.8	0.1	4.6	0.6	3.9	0.6	0.5	0.1	2.3	0.3	1.1	0.2	0.0	0.0	0.1	0.0
Yugoslavia					-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-	0.1	0.0
ASIA					15.7	3.0	25.5	4.7	11.2	1.4	45.6	6.8	35.1	4.7	26.5	3.7	22.4	3.4	29.7	4.4	70.7	10.3
Afghanistan					0.2	0.0	1.2	0.2	0.0	0.0	2.3	0.3	0.8	0.1	0.5	0.1	0.1	0.0	0.1	0.0	0.1	0.0
Bangladesh					-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-
Vietnam					-	-	-	-	0.6	0.1	-	-	0.0	0.0	0.3	0.0	0.1	0.0	0.1	0.0	0.2	0.0
Yemen					-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-
Israel					-	-	0.0	0.0	-	-	0.3	0.0	0.2	0.0	0.7	0.1	0.1	0.0	0.3	0.0	0.1	0.0
India					0.0	0.0	-	-	-	-	0.3	0.0	1.0	0.1	0.8	0.1	1.0	0.2	0.1	0.0	34.4	5.0
Indonesia					-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-
Jordan					-	-	-	-	-	-	-	-	0.0	0.0	-	-	0.0	0.0	-	-	-	-
Iraq					0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-
Iran					-	-	0.2	0.1	0.8	0.1	10.5	1.6	12.0	1.6	11.3	1.6	10.4	1.6	7.6	1.2	10.0	1.5
Qatar					-	-	-	-	-	-	0.0	0.0	0.0	0.0	-	-	-	-	-	-	-	-
Cyprus					0.0	0.0	-	-	1.6	0.2	2.0	0.3	0.0	0.0	0.4	0.1	0.0	0.0	-	-	-	-
PR of China					10.6	2.0	4.8	0.9	0.4	0.0	1.3	0.2	1.9	0.2	0.9	0.1	2.5	0.4	11.9	1.8	6.0	0.9
DPR of Korea					0.0	0.0	0.2	0.0	-	-	2.5	0.4	0.0	0.0	0.7	0.1	-	-	-	-	-	-
Kuwait					-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	-	-	-	-	0.0	0.0
Lebanon					-	-	-	-	-	-	-	-	0.1	0.0	-	-	-	-	-	-	-	-
Malaysia					0.0	0.0	-	-	-	-	-	-	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.1	0.0
Mongolia					-	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	1991		1992		1993		1994		1995		1996		1997		1998		1999		2000		2001	
	Figures were not calculated for the Other World countries category						1994		1995		1996		1997		1998		1999		2000		2001	
	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to
	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total
UAE					-	-	-	-	-	-	6.6	1.0	7.1	1.0	4.9	0.7	4.0	0.6	2.8	0.4	4.9	0.7
Oman					-	-	-	-	-	-	0.0	0.0	-	-	-	-	0.0	0.0	0.1	0.0	-	-
Pakistan					-	-	1.8	0.3	3.8	0.5	6.0	0.9	1.1	0.2	0.2	0.0	0.2	0.1	0.1	0.0	0.1	0.0
Republic of Korea					0.2	0.0	0.6	0.1	0.1	0.0	7.1	1.1	5.5	0.8	1.3	0.2	1.6	0.2	2.1	0.3	4.2	0.6
Saudi Arabia					-	-	-	-	-	-	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Syria					-	-	-	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Singapore					0.0	0.0	-	-	-	-	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.0
Thailand					-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.0	-	-	-	-
Taiwan					-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0
Turkey					4.4	0.9	16.7	3.1	3.9	0.5	5.3	0.8	5.0	0.7	3.9	0.5	1.4	0.2	4.0	0.6	9.3	1.4
Sri Lanka					-	-	-	-	-	-	0.1	0.0	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Philippines					-	-	-	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-	-	-
Japan					0.3	0.1	-	-	-	-	1.2	0.2	0.3	0.0	0.4	0.1	0.7	0.1	0.3	0.1	1.2	0.2
AMERICAS					8.8	1.6	33.3	6.1	30.9	3.8	18.0	2.7	3.3	0.5	34.9	4.9	3.0	0.5	2.1	0.3	11.2	1.6
Argentina					0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bahamas					-	-	-	-	-	-	0.6	0.1	0.1	0.0	1.3	0.2	0.0	0.0	-	-	-	-
Brazil					-	-	-	-	-	-	-	-	0.0	0.0	-	-	0.1	0.0	-	-	-	-
Venezuela																					8.3	1.2
Virgin Islands					-	-	-	-	-	-	8.6	1.3	0.4	0.1	31.3	4.4	-	-	-	-	-	-
Canada					0.1	0.0	1.1	0.2	5.5	0.7	1.4	0.2	0.0	0.0	0.0	0.0	0.7	0.1	0.8	0.1	0.1	0.0
Nicaragua					-	-	-	-	-	-	-	-	-	-	0.9	0.1	0.5	0.1	-	-	-	-
Panama					-	-	0.3	0.1	-	-	-	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	-	-
USA					8.7	1.6	31.9	5.8	25.4	3.1	7.4	1.1	2.8	0.4	1.4	0.2	1.7	0.3	1.3	0.2	2.8	0.4
Chile					-	-	-	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-
AFRICA					0.3	0.1	0.0	0.0	8.0	1.0	0.1	0.0	0.2	0.0	0.4	0.1	1.4	0.2	0.4	0.1	0.5	0.1
Benin					-	-	-	-	-	-	-	-	-	-	0.1	0.0	-	-	-	-	-	-
Ghana					-	-	-	-	-	-	-	-	-	-	-	-	1.1	0.2	-	-	-	-
Djibouti					-	-	-	-	-	-	0.0	0.0	0.2	0.0	0.2	0.1	0.1	0.0	0.1	0.0	0.2	0.0
Egypt					-	-	-	-	-	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-
Congo					-	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-	0.2	0.1	0.1	0.0
Mauritania					-	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Morocco					-	-	-	-	-	-	-	-	0.0	0.0	-	-	-	-	-	-	-	-
Nigeria					0.3	0.1	0.0	0.0	0.0	0.0	0.1	0.0	-	-	-	-	-	-	-	-	-	-
Chad					-	-	-	-	-	-	-	-	-	-	0.1	0.0	0.0	0.0	-	-	-	-
Somalia					-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.2	0.0
Equatorial Guinea					-	-	-	-	8.0	1.0	-	-	-	-	-	-	-	-	0.1	0.0	0.0	0.0
South Africa					-	-	-	-	-	-	-	-	-	-	-	-	0.2	0.0	0.0	0.0	0.0	0.0



	1991		1992		1993		1994		1995		1996		1997		1998		1999		2000		2001	
	Figures were not calculated for the Other World countries category						1994		1995		1996		1997		1998		1999		2000		2001	
	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to	Mln.	In % to
	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total	total	US\$	total	US\$	total	US\$	total	US\$	total	US\$	total
AUSTRALIA AND OCEANIA					0.7	0.1	0.1	0.0	-	-	-	-	-	-	0.1	0.0	0.3	0.0	0.3	0.0	0.6	0.1
Australia					-	-	-	-	-	-	-	-	-	-	0.1	0.0	0.3	0.0	0.3	0.0	0.6	0.1
New Zealand					0.7	0.1	0.1	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**(iv) Imports and exports from main suppliers**

(in thousand US\$)

Type of service	2000	2001	2000	2001
	Export		Import	
Hotel services	561.2	826.3	-	-
Processing of Uranium concentrate	357.3	-	-	-
Broadcasting of programs	2,576.6	2,789.3	-	-
Postal services	32.0	68.0	7.3	53.5
International goods transportation	27,646.3	2,159.0	4,756.6	-
International carriage of passengers	8,192.2	10,375.3	1.5	-
Lease of transportation means with a crew	3,619.2	4,141.4	2,824.6	876.8
Lease of transportation means without a crew	1,565.1	2,163.4	1,370.2	770.0
Transportation commission and payment of transportation services	-	321.8	28,519.7	36,415.4
Procurement of fuel and other goods	-	-	2,175.4	3,834.5
Expenditures on processing and storing of cargo, payment of duties	-	-	3,224.0	4,995.6
Other expenditures of transportation companies	-	-	20,288.6	351.9
Expenditures of a plane crew	-	250.7	76.9	169.8
Phone services	254.4	237.4	579.8	251.6
Educational services	368.3	277.8	-	-
Air traffic control services	139.2	430.9	141.3	1,053.7
Tourist Agencies services	3.8	30.4	-	90.4
Railroading	10,038.1	35,547.8	-	3.4
Transportation of natural gas	-	6,600.1	-	-
Construction services	-	-	-	2,743.9
Engineering services	-	-	-	0.3
Financial management advisory services	-	-	-	49.1
CIS countries				
Total	46,353.7	55,492.1	38,150.6	11,258.6
Hotel services	319.6	525.5	-	-
Broadcasting of programs	597.4	161.9	-	-
Postal services	5.2	11.2	2.8	4.3
Processing of Uranium concentrate	357.3	-	-	-
International goods transportation	27,403.6	521.2	3.8	-
International carriage of passengers	4,322.8	7,696.8	1.5	-
Lease of transportation means with a crew	1,998.1	1,570.0	2,824.6	873.9
Lease of transportation means without a crew	1,024.0	2,080.0	1,294.5	741.6
Transportation commission and payment of transportation services	-	321.8	9,575.6	3,076.0
Procurement of fuel and other goods	-	-	1,348.4	2,517.7
Expenditures on processing and storing of cargo, payment of duties	-	-	2,623.5	3,504.9
Other expenditures of transportation companies	-	-	19,901.3	351.9
Expenditures of a plane crew	-	250.7	2.5	3.5
Phone services	250.2	198.7	572.1	171.2
Educational services	37.4	6.4	-	-
Railroading	10,038.1	35,547.8	-	3.4
Transportation of natural gas	-	6,600.1	-	-
Air traffic control services	-	-	-	10.2
Non-CIS countries				
Total	9,000.0	10,727.5	25,815.3	40,401.3
Hotel services	241.6	300.8	-	-
Broadcasting of programs	1,979.2	2,627.4	-	-

Type of service	2000	2001	2000	2001
	Export		Import	
Postal services	26.8	56.8	4.5	49.2
International goods transportation	242.7	1,637.8	4,752.8	-
International carriage of passengers	3,869.4	2,678.5	-	-
Lease of transportation means with a crew	1,621.1	2,571.4	-	2.9
Lease of transportation means without a crew	541.1	83.4	75.7	28.4
Transportation commission and payment of transportation services	-	-	18,944.1	33,339.4
Procurement of fuel and other goods	-	-	827.0	1,316.8
Expenditures on processing and storing of cargo, payment of duties	-	-	600.5	1,490.7
Other expenditures of transportation companies	-	-	387.3	-
Expenditures of a plane crew	-	-	74.4	166.3
Phone services	4.2	38.7	7.7	80.4
Educational services	330.9	271.4	-	-
Services of tourist agencies	3.8	30.4	-	90.4
Air traffic control services	139.2	430.9	141.3	1,043.5
Construction services	-	-	-	2,743.9
Engineering services	-	-	-	0.3
Financial management advisory services	-	-	-	49.1
Total	55,353.7	66,219.6	63,965.9	51,659.9

**(v) Trade by geographic areas (main trade partners)**

(in thousand US\$)

Country	1997	1998	1999	2000	2001
CIS countries	8,880.1	47,058.5	38,663.6	46,353.7	55,492.1
Customs Union	7,897.1	11,150.1	6,486.6	7,015.6	9,351.7
Belarus	0.6	10.1	6.8	13.4	98.6
Kazakstan	2,640	1,979.2	1,582.5	1,700.2	1,879.0
Kyrgyz Republic	116.6	101.6	1,126.2	133.8	162.3
Russian Federation	5,139.9	9,059.2	3,771.1	5,168.2	7,211.8
Other CIS countries	983.0	35,908.4	32,177.0	39,338.12	46,140.4
Azerbaijan	-	4.1	11.1	0.3	0.9
Armenia	-	4.1	-	-	0.2
Georgia	-	0.4	0.8	-	0.6
Moldova	-	9.2	0.1	0.02	3.0
Turkmenistan	296.9	1,073.9	168.6	198.8	758.8
Uzbekistan	685.9	34,724.4	31,860.2	39,131.3	45,240.0
Ukraine	0.2	92.3	136.2	7.7	136.9
Non-CIS countries	1,808.5	11,040.6	11,034.7	9,000.06	10,727.5
Europe	86.3	757.24	26,53.62	1,641.55	2,550.7
Austria	-	-	1.4	22.2	1.8
Albania	-	-	-	0.1	-
Belgium	-	-	0.1	2.4	1.8
Bulgaria	-	0.6	0.3	35.2	1.8
United Kingdom	60.3	127	13	30.9	22.6
Hungary	17.4	2.2	-	3.3	2.8
Germany	0.6	20.5	252.7	759.1	1,894.5
Greece	-	-	-	1.4	1.9
Denmark	-	2.4	5.2	1.6	2.3
Spain	-	0.01	4.1	0.6	4.1
Ireland	-	-	-	0.01	
Italy	2.4	9.8	11.9	2.8	8.1
Latvia	-	22	556.5	2.9	32.9
Lithuania	-	0.2	1	0.2	40.2
Netherlands	-	0.1	5.2	7.8	2.9
Norway	-	-	-	0.02	3.9
Poland	-	8.7	5.9	5.9	5.1
Portugal	-	-	-	-	3.2
Slovakia	-	-	0.7	2.5	1.0
Romania	-	-	-	6.1	4.8
Finland	-	0.03	0.02	0.1	0.9
France	1	6.1	12.5	8.3	39.4
Croatia	-	-	-	-	0.2
Czech Republic	-	6.6	2.2	41.6	0.2
Switzerland	4.6	539.6	1,774.5	695.7	455.4
Sweden	-	11.2	1.5	1.7	1.6
Estonia	-	0.2	4.8	9.1	16.0
Yugoslavia	-	-	0.1	0.02	1.3
Asia	873.8	7,343.41	6,432.14	4,175.94	5,118.0
Afghanistan	-	23.2	28.8	14.8	5.9
Bangladesh	-	-	0.01	0.02	0.0
Vietnam	-	0.01	-	3.6	0.4
Israel	-	-	13.5	4.0	1.3
India	-	1,160.0	342.6	804.1	591.4
Iran	350.3	1,191.2	2,828.4	1,168.1	649.2
Jordan	-	-	-	1.9	0.6

Country	1997	1998	1999	2000	2001
PR of China	3.7	5	35.1	14.6	29.0
Cyprus	-	-	-	0.3	0.1
Kuwait	-	-	0.1	-	-
Republic of Korea	4.7	2.1	8.5	9.8	4.2
Libya	-	-	-	3.1	-
Malaysia	-	-	0.3	-	-
Mongolia	-	-	0.03	0.02	0.1
Nepal	-	-	-	3.9	-
UAE	490	2,656.8	2,160.5	1,125.4	2,836.1
Pakistan	8.5	1,194.2	436.1	388.7	152.8
Saudi Arabia	14.2	429.5	171.9	134	4.2
Syria	-	81.7	-	4.8	1.3
SAR Hong Kong	-	-	0.1	-	-
Turkey	2.4	595.9	386.6	484.8	827.8
Philippines	-	3.2	1.4	1.4	1.3
Japan	-	0.6	18.2	8.6	12.3
Africa	-	824.4	295.34	1,113.67	300.4
Algeria	-	-	-	0.02	0.0
Benin	-	104.3	-	-	-
Ghana	-	-	0.02	-	-
Guinea	-	-	-	391.6	-
Djibouti	-	506.4	95.2	200.0	210.9
Egypt	-	-	1.2	-	-
Congo	-	-	198.6	478.5	88.8
Libya	-	-	0.3	0.05	-
Mauritania	-	-	-	1.3	-
Nigeria	-	-	-	2.2	-
Somalia	-	-	0.02	-	-
Chad	-	213.6	-	40.0	-
Tanzania	-	-	-	-	0.3
South Africa	-	-	-	-	0.4
Americas	848.4	2,109.6	1,644.8	2,068.7	2,756.8
Argentina	-	-	-	-	0.8
Bolivia	-	-	0.1	-	0.0
Brazil	-	-	-	-	0.6
Canada	-	15.5	5.3	6.9	6.3
USA	848.4	2,094.1	1,639.3	2,061.8	2,749.1
Australia and Oceania	-	5.9	8.8	0.2	1.6
Australia and Oceania	-	5.9	8.8	0.2	1.2
New Zealand	-	-	-	-	0.4
Total	10,688.6	58,099.1	49,698.3	55,353.8	66,219.6

- **Import of international services by country**

(in thousand US\$)

Country	1997	1998	1999	2000	2001
CIS countries	15,876.7	16,595.4	33,003.7	38,150.6	11,258.6
Customs Union	11,047.7	10,620.3	8,975.9	12,388.0	9,057.1
Belarus	3.3	199.1	100.9	35.8	20.8
Kazakhstan	1,504.1	2,084.5	1,815.2	1,566.3	891.0
Kyrgyz Republic	4.3	124.3	132.9	187.8	268.4
Russian Federation	9,536.0	8,212.4	6,926.9	10,598.1	7,876.9
Other CIS countries	4,829.0	5,975.1	24,027.8	25,762.6	2,201.5
Azerbaijan	-	28.5	180.6	715.0	307.2
Armenia	-	0.1	0.1	-	171.4
Georgia	-	40.0	15.0	1.0	1.0
Moldova	0.4	6.2	14.5	47.6	0.1
Turkmenistan	6.4	680.2	364.8	414.3	206.8
Uzbekistan	4,804.8	4,923.2	22,656.6	24,244.9	1,501.6
Ukraine	17.4	296.9	796.2	339.8	13.4
Non-CIS countries	23,612.1	29,423.6	25,481.6	25,815.3	40,401.3
Europe	9,837.7	24,672.1	23,586.6	24,498.9	34,999.7
Austria	199.0	-	-	18.8	-
Belgium	-	-	0.1	0.0	0.0
Bulgaria	-	1.6	0.3	0.0	-
United Kingdom	2,416.0	2.2	7,763.5	23,658.4	33,339.4
Hungary	-	4.8	-	-	0.0
Germany	0.1	40.0	60.3	165.7	881.5
Denmark	-	-	1.0	1.7	1.1
Spain	-	-	-	0.0	-
Italy	-	-	-	0.0	2.0
Latvia	0.2	25.3	18.5	67.4	4.4
Lithuania	0.3	14.4	19.7	8.3	11.6
Liechtenstein	6,032.0	23,964.0	14,653.3	-	-
Luxembourg	-	-	0.0	-	-
Netherlands	-	-	-	0.2	3.1
Poland	-	75.0	40.6	-	0.0
Slovakia	-	-	0.0	-	-
Finland	-	-	-	-	0.1
France	-	0.4	0.0	-	-
Czech Republic	-	0.9	0.0	27.2	0.0
Switzerland	1,190.0	525.8	1,011.6	548.0	741.0
Croatia	-	0.0	-	-	-
Estonia	0.1	17.7	17.6	3.2	15.5
Asia	13,774.4	4,701.4	1,894.6	1,313.9	5,359.8
Israel	15.9	-	0.6	0.2	0.6
Jordan	2.2	-	-	-	-
India	-	275.4	117.6	111.2	138.6
Iran	17.1	265.7	575.6	90.5	29.2
Yemen	-	-	-	0.0	-
Cyprus	13,628.0	1.4	145.9	0.7	-
PR of China	2.0	-	22.0	0.0	1.1
Republic of Korea	-	2,469.0	0.0	0.0	1.8
UAE	8.6	879.3	453.9	543.3	1,372.6
Pakistan	15.4	112.6	52.3	104.9	60.1
Saudi Arabia	-	3.5	70.3	49.6	0.0
Syria	-	24.1	-	-	0.0
Turkey	80.3	670.4	456.4	413.5	3,755.8

Country	1997	1998	1999	2000	2001
Philippines	4.9	-	-	-	-
Africa	-	-	0.024	0.003	0
Egypt	-	-	0.004	0.003	-
Tanzania	-	-	0.01	-	-
Tunisia	-	-	0.01	-	-
Americas	-	50.1	0.418	2.513	41.8
Brazil	-	-	-	0.003	0.0
Canada	-	-	0.001	0.9	0.4
Cuba	-	-	0.01	-	-
Mexico	-	-	0.003	0.01	0.0
Nicaragua	-	-	0.004	-	-
Panama	-	2.0	-	-	-
USA	-	48.1	0.4	1.6	41.4
Total	39,488.8	46,019.0	58,485.3	63,965.9	51,659.9

## ANNEX 2

### LIST OF LAWS AND NORMATIVE ACTS

Normative acts are divided into laws and by-laws. Laws may be of three types, such as 1) Constitution, 2) constitutional acts, and 3) laws. These acts except for the Constitution are adopted by the Majlisi Oli of the Republic of Tajikistan and signed by the President of the Republic of Tajikistan. The Constitution of the Republic of Tajikistan has the supreme legal force in the system of laws and legal-regulatory acts and is adopted by the referendum. By-laws are other acts of various power bodies. They are adopted to help implement laws and they should not contradict to laws. By-laws include decrees of the President, resolutions of the Government, acts of ministries and administrative bodies. Below follows the hierarchy of normative acts according to legal force. One should note that only date of approval and putting into effect are specified here.

As soon as the translation into English has been completed, the relevant legal texts will be transmitted to the WTO secretariat.

#### **1. Laws and normative acts regulating foreign economic activities of the Republic of Tajikistan, activity of the foreign trade regulating and custom authorities; responsible agencies**

##### Laws:

- "On Putting into Effect of the Customs Code of the Republic of Tajikistan" of 4 November 1995. Amendments of 14 May 1999;
- "On Customs Tariff" of 4 November 1995. Amendments of 6 August 2001.

##### Decree of the President of the Republic of Tajikistan:

- "On Establishment of the Ministry on State Revenues and Duties of the Republic of Tajikistan," No. 745 of 24 January 2002.

##### Resolutions of the Government:

- "On Customs Duty Rates for Imports," No. 392 of 3 September 1996;
- "On Procedure To Transport Goods Not Intended for Production or Any Other Commercial Activity over the Customs Border of the Republic of Tajikistan by Individuals," No. 596 of 28 September 1995;
- "On Procedure of Transportation of Goods and Vehicles over the Customs Border of the Republic of Tajikistan by Individuals," No. 284 of 4 July 1997;
- "On Elimination of Export Customs Duties," No. 406 of 2 September 1997;
- "On Description of Flag and Identification of Customs Bodies of the Republic of Tajikistan," No. 453 of 21 October 1997;
- "On Approval of Disciplinary Charter of Customs Bodies of the Republic of Tajikistan," No. 568 of 27 December 1997;
- "On Measures on sale of goods subject to excise stored at customs warehouses," No. 453 of 20 November 1998;
- "On Customs Tariff of the Republic of Tajikistan," No. 1 of 7 January 1990;
- "On Uniform and Norms of Clothing Allowance for Customs Officials of the Republic of Tajikistan," No. 367 of 4 February 1999;
- "On Export and Import Tariffs of the Republic of Tajikistan," No. 436 of 27 June 1995.



Departmental normative acts:

- Instruction on Customs Processing Procedure for Goods Imported to the Custom Territory of the Republic of Tajikistan as Humanitarian and Technical Assistance, No. 13, of 19 February 2001;
- Instruction on Completion of Customs Value Adjustment Form 1 and Customs Value Adjustment Form 2. Approved by Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan No. 77, of 12 June 2001;
- Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan "On Approval of Regulation on the Customs Regime for Goods Transit over the Customs Territory of the Republic of Tajikistan," No. 124, of 6 April 1999;
- Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan "On Approval of Regulation on the Customs Regime for Re-Imported Goods over the Customs Territory of the Republic of Tajikistan," No. 88, of 8 April 1998;
- Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan "On Approval of List of Goods Which are Not Subject to Temporary Import (Export) Customs Regime," No. 99, of 20 March 1999;
- Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan "On Measures to Strengthen Control over Customs Value of Goods," No. 77, of 12 June 2001;
- Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan "Regulation on Free Warehouses," No. 561, of 3 May 2001;
- Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan "On Measure to Strengthen Control over Customs Value of Goods," No. 77, of 12 June 2001;
- Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan "On Customs Regime to Destroy Goods," No. 142, of 6 September 1996;
- Instruction on Completion of Customs Value Declaration." Approved by Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan, No. 77, of 12 June 2001;
- Instruction on Procedure to Pay Fees and Apply Tariffs in Order to Obtain License for Production and Broadcasting of TV and Radio Programs. Approved by Decree of the Chairman of TV and Radio Broadcasting Committee of the Government of the Republic of Tajikistan No. 52, of 2 August 2000.

Responsible organizations:

- Government of the Republic of Tajikistan; and
- Ministry on State Revenues and Duties of the Republic of Tajikistan.

## 2. **Laws and normative acts related to non-tariff regulation of import, exports, and transit trade; rules of origin; responsible agencies**

Decrees of the President:

- "On Restriction of Administrative Interference in the Foreign Exchange Market Functioning," No. 247, of 3 March 2000;
- "On Liberalization of Foreign Exchange and Export Operations and on Measures to Ensure Full Return of Foreign Exchange Proceeds" No. 424, of 24 February 1996;
- "On Amending Decree of the President of the Republic of Tajikistan "On Liberalization of Foreign Exchange and Export Operations and on Measures to Ensure Full Return of Foreign Exchange Proceeds," No. 1249, of 13 July 1999;

- "On Measures to Ensure Macroeconomic Stabilization and Improve Foreign Exchange Market Functioning," No. 763, of 16 July 1997.

Resolutions of the Government:

- "On Procedure to Attest, Accredite, and License Education Institutions of the Republic of Tajikistan," No. 50, of 17 January 1997;
- "Regulation on Procedure to License Activities to Provide Legal Assistance as Attorney," No. 42, of 18 February 1998;
- "On Procedure to License Activities and Services in Energy Sector of the Republic of Tajikistan," No. 591, of 30 December 2001;
- "On Re-Export of Goods and Procedure to Issue Permits for Re-Export," No. 412, of 19 August 1994;
- "On Issuing a License for Export of Herbal Raw Materials for Tajikpharmindustria Committee of the Ministry of Health," No. 65, of 21 February 1996;
- "On Measures to Develop and Improve International Road Transportation in the Republic of Tajikistan," No. 123, of 26 March 1997;
- "On Measures to Improve Domestic Goods Promotion in Foreign Market," No. 237, of 8 June 2001;
- "On Measures to Improve Foreign Economic Activities in the Republic of Tajikistan" No. 111, of 19 February 1997;
- "On Setting Up Excise Rates for Selected Goods Produced in the Republic of Tajikistan and Imported into the Republic of Tajikistan," No. 533, of 1 December 2001; and
- "On Approval of Regulation to Control Export from the Republic of Tajikistan Chemicals, Equipment, and Technology of Peaceful Function but Which May Be Used when creating Chemical Weapons."

Departmental normative acts:

- "Regulation on Customs regime of Goods Transit of the Republic of Tajikistan" Approved by Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan, No. 209 of 28 December 1996;
- Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan "On Approval of List of Goods, Which are Not Subject to Temporary Import (Export) Customs Regime" No. 99, of 20 March 1999; and
- Decree of the Chairman of the Customs Committee of the Government of the Republic of Tajikistan "On Customs Regime to Destroy Goods" No. 142, of 6 September 1996;

Responsible organizations:

- Government of the Republic of Tajikistan;
- Ministry on State Revenues and Duties, Republic of Tajikistan;
- Ministry of Industry, Republic of Tajikistan;
- Ministry of Health, Republic of Tajikistan;
- Ministry of Culture, Republic of Tajikistan;
- Ministry of Finance, Republic of Tajikistan;
- Ministry of Economy and Trade, Republic of Tajikistan; and
- Ministry of Nature Protection, Republic of Tajikistan.

### **3. Laws and regulations related to foreign investment: responsible agencies**

#### Laws:

- "On Foreign Exchange Regulation and Foreign Exchange Control," No. 112, of 4 November 1995;
- "On Foreign Economic Activity," No. 869, of 27 December 1993;
- "On Foreign Investment," No. 498, of 10 March 1992. Amendment No. 893 of 11 December 1999;
- "On Concessions," No. 429, of 15 May 1997; and
- "On Government Regulation of Foreign Economic Activity," No. 822, of 3 September 1999.

#### Resolutions of the Government:

- "On Procedure to Assign Products (Works, Services) to Products Produced by Enterprises with Foreign Investment in the Republic of Tajikistan," No. 7, of 5 January 1995;
- "On Establishment of Interagency Council on Economic Reform, Entrepreneurship, and Foreign Investment under the President of the Republic of Tajikistan," No. 200, of 15 March 1995;
- "On Procedure to Register participants of Foreign Economic Activity of the Republic of Tajikistan," No. 316, of 11 July 1994;
- "On Additional Measures Regarding Economic Security of the Republic of Tajikistan," No. 474, of 13 September 1993; and
- "On Protection of Foreign Investment and Interests of Foreign Firms in the Republic of Tajikistan," No. 19, of 10 September 1991.

#### Responsible organizations:

- Government of the Republic of Tajikistan;
- Ministry of Economy and Trade, Republic of Tajikistan;
- Ministry of Finance, Republic of Tajikistan; and
- Committee of State Financial Control under the President of the Republic of Tajikistan.

### **4. Other laws and normative acts regulating economic areas, which affect trade: responsible agencies**

#### Laws:

- Civil Code of the Republic of Tajikistan, No. 429, part 1, of 30 June 1999.
- Amendment: No. 41, of 6 August 2001;
- Civil Code of the Republic of Tajikistan, No. 885, part 2, of 11 December 1999;
- Criminal Code of the Republic of Tajikistan, No. 575, of 25 May 1998. Amendments: No. 684, of 13 November 1998; No. 877, of 10 December 1999;
- Code of the Republic of Tajikistan on Administrative Violations, of 5 December 1985; Amendments: 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1998, 1999, 2000, 2001;
- Land Code of the Republic of Tajikistan, No. 327, of 30 June 1999. Amendments: No. 498, of 12 December 1997; No. 746, of 14 May 1999; No. 15, of 12 May 2001;
- Tax Code of the Republic of Tajikistan, No. 664, of 12 November 1996. Amendment: No. 34, of 6 August 2001;
- "On Privatization of State-Owned Property," No. 464, of 16 May 1997;
- "On Public Associations," No. 644, of 23 May 1998;

- "On Joint-Stock Companies" of 24 December 1991; Amendments: No. 337, of 14 December 1996; No. 498 of 12 December 1997; No. 634 of 22 May 1998;
- "On Securities and Stock Exchanges," No. 552 of 10 March 1992. Amendments: No. 126 of 4 November 1995; No. 638 of 22 May 1998;
- "On Bankruptcy," No. 550 of 10 May 1992; Amendments: 1996; No. 421 of 15 May 1997; No. 624 of 22 May 1998;
- "On Protection of Consumer Rights," No. 438, 15 May 1997;
- "On Courts," No. 30 of August, 2001;
- "On Precious Metals and Stones," No. 21 of 12 May 2001;
- "On Import and Export of cultural values" No. 42, 6 August 2001;
- "On Government and Government-Guaranteed Borrowing and Debt," No. 886, 11 December 1999;
- "On Accounting," No. 750, of 14 May 1999;
- "On Banks and Banking Activity," No. 648 of 23 May 1998;
- "On Auditor Activity," No. 602 of 2 May 1998;
- "On State Statistics," No. 431 of 15 May 1997;
- "On National Bank of the Republic of Tajikistan," No. 383 of 14 December 1996. Amendment: No. 14 of 12 May 2001;
- "On Customs Tariffs," No. 200 of 4 November 1995; Amendment: of 6 August 2001;
- "On Mortgage," No. 14 of 22 May 1994; Amendments: No. 421 15 May 1997; No. 626 of 22 May 1998;
- "On Competition and Restrictions of Monopolistic Activities in Commodity Markets," No. 11 of 29 November 2000;
- "On Government Regulation of Foreign Economic Activity," No. 822 of 3 September 1999;
- "On Chamber of Commerce of the Republic of Tajikistan," No. 603 of 22 May 1998;
- "On Government Procurement of Goods, Works, and Services," No. 551 of 12 December 1997.

#### Presidential decrees:

- "On Further Liberalization of Foreign Trade in the Republic of Tajikistan," No. 261 of 27 June 1995;
- "On Reorganization of Agricultural Enterprises," No. 478 of 2 February 2001;
- "On Measures to Accelerate Corporatization of Enterprises," No. 631 of 29 December 1996;
- "On Priority Measures to Deepen Economic Transformation and Accelerate Transition towards Market Relations," No. 8 of 3 December 1994;
- "On Strengthening Government Regulation with Regard to Ethyl Alcohol and Alcoholic Production Turnover," No. 1143 of 29 December 1998.

#### Resolutions of the Government:

- "On Measures to Further Improve Exchange Trade in the Republic of Tajikistan," No. 533 of 30 December 1998;
- "On Measures to Improve Promotion of Domestic Goods at Foreign "Market," No. 237 of 8 June 2001;
- "On Excise Rates on goods imported to the Republic of Tajikistan from outside of the CIS States," No. 109 of 19 February 1997;
- "On Measures to Improve Foreign Economic Activity in the Republic of Tajikistan," No. 111 of 19 February 1997;

- "On Comprehensive Measures of Government Regulation Regarding Purchase, Processing, Import, Export, and Wholesales of Tobacco and Tobacco Products," No. 453 of 27 October 1999;
- "On Approval of the Regulation on Forming and Using Free Prices and Tariffs for Products of Production and Technical Use, Consumer Goods and Services," No. 202 of 26 June 1998;
- "On Free (Market) prices and Excise Rate for Vodka", No. 415 of 26 October 1992;
- "On Excise Rates on Tobacco Products," No. 413 of 26 October 1992;
- "On Measures to Strengthen Government Support of Small Entrepreneurship in the Republic of Tajikistan," No. 59 of 20 February 1998;
- "On Quotas on import of Ethyl Alcohol to the Republic of Tajikistan," No. 461 of 21 October 1997;
- "On Organizing Work to Reveal Government Enterprises subject to Bankruptcy and to Their Recovery," No. 124 of 31 January 1995;
- "On Recommencement of Procedure of Government Regulation and Declaration of Prices for Products, (Works and Services) of Enterprises –Monopolists. On Introduction of Amendments to the Procedure," No. 358 of 19 July 1994;
- "On Approval of Average Land Tax Rates," No. 195 of 19 April 2001;
- "On Ministry of Industry of the Republic of Tajikistan," No. 87 of 4 March 2002;
- "On Approval of Provisions Related to Government Regulation of Ethyl Alcohol and Alcoholic Production and Turnover" No. 131 of 7 April 1999;
- "On Setting up Excise Rates on Selected Goods Produced in the Republic of Tajikistan and imported to the Republic of Tajikistan" No. 117 of 31 March 1999;
- "On Approval of Provisions on Trade Representation of the Republic of Tajikistan Abroad" No. 197 of 6 May 1993;
- "On Establishing Government Control Over Use and Sales of Exports Produced in the Republic of Tajikistan," No. 317 of 30 June 1993;
- "On Introduction of Government Monopoly over Tobacco and Tobacco Products" No. 522 of 15 October 1993;
- "On Protection of Consumer Market of the Republic of Tajikistan against Penetrating Poor Quality Goods," No. 97 of 16 March 1999;
- "On Approval of Securities Market Development Program in the Republic of Tajikistan" No. 258 of 19 June 2000;
- "On Approval of Regulation on Broker and Dealer Activity in Securities Market" No. 502 of 29 December 2000;
- Instruction on Procedure to Calculate and Pay Land Tax. Approved by Resolution of the Government of the Republic of Tajikistan No. 188 of 3 May 1995; and
- Instruction on Procedure to Calculate and Pay Excises. Approved by Resolution of the Government of the Republic of Tajikistan No. 238 of 18 June 1999.

Responsible organizations:

- Government of the Republic of Tajikistan;
- Ministry of Industry, Republic of Tajikistan;
- Ministry of Economy and Trade, Republic of Tajikistan;
- Ministry on State Revenues and Duties, Republic of Tajikistan;
- State Property Committee, Republic of Tajikistan;
- Committee of State Financial Control under the President of the Republic of Tajikistan;
- Ministry of Finance, Republic of Tajikistan; and
- Ministry of Agriculture, Republic of Tajikistan.

**5. Indications where to find legal texts concerning intellectual property rights, technical barriers and trade in services**

Legal texts concerning Technical Barriers to Trade are listed in Annex 5.

Legal Texts concerning Trade in Services are referred to in section VI. of the Memorandum.

## **ANNEX 3**

### **Information on Import Licensing Procedures**

#### **I. OUTLINE OF SYSTEMS**

##### **1. General description**

Many goods can be imported to the Republic of Tajikistan without a license. However, there is a limited category of goods, which can negatively affect health of citizens, consumer and ecological well-being or national security and requires a license for import.

#### **II. PURPOSES AND COVERAGE OF LICENSING**

Import licensing procedures in the Republic of Tajikistan are required for special categories of goods, such as alcohols, tobacco, and narcotics.

This system is applied to goods originating and imported from all countries, including CIS countries.

The licensing system is intended to provide health care of population, consumers' and ecological well-being, and national security.

Import licensing is regulated by Resolution of the Government of the Republic of Tajikistan

No. 48 of 19 February 1999 "On Complex Measures to Strengthen State Regulation on Production and Turnover of Ethyl Alcohol and Alcohol Products", Resolution of the Government of the Republic of Tajikistan No. 131 of 7 April 1999 "On Approval of Regulations Regarding State Regulation on Production and Turnover of Ethyl Alcohol and Alcohol Products", Resolution of the Government of the Republic of Tajikistan No. 453 of 27 October 1999 "On Complex Measures Regarding State Regulation on Imports, Exports, and Wholesale of Tobacco Products", as well as by Resolution of the Government of the Republic of Tajikistan No. 465 of 9 December 2000 "On approval of the Regulation on the order of license issue in the area of legal turnover of narcotics, psychotropic substances, and precursors".

#### **III. PROCEDURES**

An application to issue license should be considered within one month from the moment the application is submitted. In case reorganization, change of name or legal address of an entity, change of type of activity, as well as loss of a license, the licensee shall apply for a revalidating license within 15 days. Licenses are issued for one year. Licenses are revalidated pursuant to license issuing procedures.

#### **IV. ELIGIBILITY OF IMPORTERS TO APPLY FOR LICENCE**

In general, all individuals, firms, and entities are entitled to apply for a license to import goods.

## **VI. DOCUMENTATION AND OTHER REQUIREMENTS FOR APPLICATION FOR LICENCE**

### **1. What information is required in applications?**

An application should include the following:

- name of entity, organizational-legal form, legal address, number of a bank settlement account, and name of a bank branch where the account is opened;
- specific type of activity regarding legal turnover of narcotics, psychotropic substances, and precursors;
- measures to be taken accounting for and securing narcotics, psychotropic substances, and precursors.

### **2. What documents are required upon actual importation?**

The application shall be accompanied by:

- constituent documents of entity;
- for entities involved in sale and storing of narcotics, psychotropic substances, and precursors, a copy of license for pharmaceutical activities issued by the Ministry of Health of the Republic of Tajikistan;
- certificate of an expert confirming his professional background, which permits implementation of a specific activity; and
- decision of a territorial interior department on conditions to store narcotics, psychotropic substances, and precursors in premises where an activity is expected to be implemented.

The application to receive a certificate to import in or permission to export should include the name of the narcotic, psychotropic, and precursor, its international title, form, and quantity, including its equivalent as dry substance. To the application should be attached a copy of the agreement concluded with the supplier of narcotics, psychotropic substances, and precursors.

The license is signed by a chairman and co-chairman of the licensing committee and is officially sealed by their entities.

The licensing committee is entitled to oppose authenticity of documents submitted.

The applicant is responsible for authenticity of documents submitted pursuant to legislation of the Republic of Tajikistan.

Terms and Conditions of issuing licenses for tobacco products import:

- application to issue license indicating the full title of entity, its forms of ownership, legal address, number of bank account, name of a bank, type of activity, and the license validation period;
- copy of passport for an entity (production);
- document confirming payments of fees to consider an application for issuing of license;
- copy of certificate on state registration of an enterprise;
- copy of notarized constituent documents (Statute);
- findings of fire authorities, power consumption controlling bodies, and sanitary epidemiological service with regard to compliance with main and auxiliary premises, fire security requirements, power supply, and construction norms and standards;



- findings of State Standardization Committee on technical and meteorological equipping of production, availability of technology equipment, normative-technical documentation confirming relevant conditions to produce and store products pursuant to state standards;
- copy of certificate on foreign economic activities issued by the Ministry of Economy and Trade;
- confirmation (decision) of future contracts issued by the Ministry of Agriculture; and
- confirmation of fees paid to the budget.

The applicant shall not be required to submit documents not specified by this Regulation.

The Corporation "Khurokvori" (hereinafter Corporation) should register, consider documents submitted, which are related with licensing of provision, processing, imports, exports, wholesale of fermented tobacco and tobacco products, and take relevant decisions.

Upon receipt of notification that a license has been issued, the applicant pays related fees for issuing license and confirmation documents (bill, receipt) are submitted to the Corporation.

Fees for licenses on purchase, processing, and wholesale of tobacco and tobacco products	
Fees	In national currency equivalent to US\$
For issuing licenses to:	US\$300.00
Entities, regardless of forms of property	(for one year of license validity)

**3. Is there any licensing or administrative charge? If so, what is the amount of the fee or charge?**

- Terms and Conditions of setting quotas for export, import and procurement of ethyl alcohol and alcohol production

Corporation of food and processing industry of the Republic of Tajikistan "Khurokvori" (hereinafter Corporation) prepares proposals to the Government of the Republic of Tajikistan on setting annual quotas on export, import and procurement of ethyl alcohol and alcohol production based on needs of the Republic of Tajikistan, potential of domestic producers of ethyl alcohol and alcohol production, demand and guarantees of organizations dealing with production and turnover of ethyl alcohol and alcohol production, and current market prices. The mentioned quotas are submitted to the Government of the Republic of Tajikistan for approval.

Import and export quotas for ethyl alcohol are distributed by the Government of the Republic of Tajikistan only between state-owned enterprises and joint stock companies whose controlling block of stocks belongs to the state.

Corporation of food and processing industry of the Republic of Tajikistan "Khurokvori" distributes import and export quotas for alcohol production between specific organizations.

- Terms and Conditions of issuing licenses for production and turnover of ethyl alcohol and alcohol production

Licenses for production and turnover of ethyl alcohol and alcohol production are issued to organizations, regardless of the ownership form, dealing with production, turnover of ethyl alcohol and alcohol production on the territory of the Republic of Tajikistan and individual entrepreneurs selling by retail domestically produced and imported alcohol production. Licenses are issued for each sort of activity:

- To producers of ethyl alcohol for its production and wholesale to domestic customers. In case of availability of equipment for production of alcohol production the single license gives permission to production and turnover of alcohol production (except for retail sale of alcohol production);
- To producers of alcohol production for production and turnover of alcohol production (except for retail sale of alcohol production);
- To organizations dealing with delivery, procurement, wholesale, import, export of alcohol production for turnover of alcohol production (except for retail sale of alcohol production); and
- In case of availability of outlets for retail sale of alcohol production, licenses are issued to every outlet belonging to the producer of alcohol production separately.

Licenses for export, import of ethyl alcohol with the right of its wholesale on domestic market are only issued to state-owned enterprises and joint stock companies whose controlling block of stocks belongs to the state.

Procurement of ethyl alcohol on domestic market is only allowed to legal entities having a quota on its acquisition and a license on production of goods with use of ethyl alcohol.

Licenses for retail sale of alcohol production are issued to owners of company and specialized shops, separate sections, restaurants, bars, cafes, buffets, shops (legal entities, individual entrepreneurs), dealing with retail sale of alcohol production in places determined by local executive authorities (Khukumats). They are issued to every outlet separately.

Transfer of licenses to other organization or individual entrepreneur is forbidden.

License is an official document allowing implementation of activities mentioned in it as well as determining conditions of their implementation. The applicant pays a fee for license issuance. The fee for consideration of applications and license issuance is set by the Government of the Republic of Tajikistan. Funds generated from the mentioned fees are transferred to the national budget through the Savings bank.

Corporation of food and processing industry of the Republic of Tajikistan "Khurokvorii" is responsible for licensing of activities on production and turnover of ethyl alcohol and alcohol production from all types of raw material.

To obtain a license, organizations dealing with production, delivery, procurement, wholesale, import, export of ethyl alcohol and alcohol production shall submit to the Corporation the following documents:

Application for license issuance indicating full name of organization, its ownership form, legal address, number of account and corresponding bank, type of activity, license period of validity;

- Document confirming payment of fees for consideration of the application;
- Copy of notarized constituent documents (Statute);
- Copy of a certificate on state registration of organization;
- Copy of a passport of organization (production);
- Findings of firefighting, energy and sanitary-epidemiological inspectorates on compliance of main and auxiliary premises, trade and other auxiliary facilities with requirements of fire safety, power supply, sanitation, hygiene, construction norms and rules; and
- Findings of State standardization bodies on certification of agricultural food production, on technical and meteorological equipment of organization, availability of normative-technical documentation confirming potential to produce and store production in

accordance with requirements of state standards, to exercise state control and supervision over actual certified volumes of production, to provide its turnover.

## **VII. CONDITIONS OF LICENSING**

License on regulation of imports, exports, wholesale of tobacco products, as well as turnover of narcotics, psychotropic substances, and precursors is issued for one year. Transfer of licenses to other entity, juridical person, or individual entrepreneur is forbidden.

## **VII. OTHER PROCEDURAL REQUIREMENTS**

In addition to other administrative procedures to be followed before goods are brought in, namely when importing narcotics, psychotropic substances, and poisons, decisions of the Government of the Republic of Tajikistan are required in compliance with Decree No. 465 of the Government of the Republic of Tajikistan of 11 September 2000 "On approval of the Regulation on the order of license issue in the area of legal turnover of narcotics, psychotropic substances, and precursors".

Currency exchange is secured for both all licensed goods brought in and goods not subject to licensing.

## **ANNEX 4**

### **Information on Implementation and Administration of the Customs Valuation Agreement**

Currently, customs value is determined by the Customs Code of the Republic of Tajikistan of 12 December 1997, No. 498, 6 August 2001 No. 38; the Law of the Republic of Tajikistan "On Customs Tariff" of 14 May 1999, No. 744, as well as the Instruction of the Customs Committee No. 83 "On Procedures to Levy Customs Payments" of 30 June 2001.

#### **1. Questions concerning Article 1**

##### **(a) Sales between related persons**

###### **(i) Are sales between related persons subject to special provisions?**

Yes. See below.

###### **(ii) Is the fact of inter-company prices *prima facie* considered as grounds for regarding the respective prices as being influenced?**

Yes. See below.

###### **(iii) What is the provision for giving the communication of the afore-mentioned grounds in writing if the importer so requests? (Article 1.2 (a))**

The provision is explained further in the text.

###### **(iv) How is Article 1.2 (b) been implemented?**

It is implemented in accordance with requirements of the Agreement on application of the Article VII of GATT (below).

The customs value of goods imported to the customs territory of the Republic of Tajikistan is the price of a deal actually paid or subject to payment for imported goods at the moment of crossing the customs border of the Republic of Tajikistan (until the port or any other place of import).

At determining of the customs value, the following components are included in the price of a deal if they were not included earlier in it:

- expenditures related to delivery of goods by air mail, port or any other place of import of goods to the customs territory of the Republic of Tajikistan;
- transportation cost;
- expenses related to loading, unloading, reloading and transfer of goods;
- insurance cost.

Buyer's expenses:

- commission and broker's fees, except for commission on goods purchase;
- cost of containers and/or other returnable containers if they are considered as a single whole with valued goods in accordance with the Nomenclature of goods;
- packing cost including packing materials and work.

- appropriate part of a cost of the following goods and services, which directly or indirectly were provided by a buyer free of charge or at the reduced price for using appraised goods due to production or sale abroad:
- raw material, parts, semi-products, commodities (lubricants, fuel, etc.);
- engineering developmental works, development projects, design, styling, outlines and sketches prepared outside the territory of the Republic of Tajikistan and immediately needed for production of appraised goods;
- licensed or any other payments for using objects of intellectual property which a buyer should directly or indirectly arrange for as a sale condition of appraised goods;
- size of a part of direct or indirect seller's profit from any further re-sales, transfer or use of appraised goods on the territory of the Republic of Tajikistan.

The method mentioned above cannot be used for determining customs value of goods if:

- there are restrictions related to buyer's rights on appraised goods except for:
  - restrictions set up by the legislation of the Republic of Tajikistan;
  - restrictions of the geographic region in which goods can be re-sold;
  - restrictions which do not materially influence the price of goods.
- sale and price of a deal depend on observance of conditions the influence of which cannot be considered;
- information used by a customer at entering the customs value in the declaration is not confirmed with documentation or do not contain correct information of quantity;
- participants of a deal are persons who depend on each other except for cases when their inter-dependence did not influence the price of a deal and this should be proved by a customer declaring goods. In this case, the inter-dependent persons are those who meet at least one of the following characteristics:
  - one of the participants of a deal (physical person) or the official of one of the participants of a deal is simultaneously the official representing the other participant of a deal;
  - participants of a deal are co-owners of an enterprise;
  - participants of a deal are connected to each other through labour relations;
  - one of the participants of a deal is the owner of investment (share) or the shareholder with the right to vote in the authorized capital of the other participant of a deal whose shares compose no less than five per cent of the authorized capital;
  - both participants of a deal are under direct or indirect control of a third person;
  - participants of a deal together directly or indirectly control a third person;
  - one of the participants of a deal is under direct or indirect control of another participant of a deal;
  - participants of a deal or their officials are relatives.
- What is the provision for giving the communication of the afore-mentioned grounds in writing if the importer so requests?

The customs value declared by the declarant and information provided by him/her related to its determination shall be based on the authentic information quantitatively determined and supported by the documents. If it is necessary to confirm the declared customs value, the declarant should provide the required information to the customs body of the Republic of Tajikistan upon its request. If the customs body has doubts in authenticity of the information provided by a declarant for determination of the customs value, the declarant has a right to prove the authenticity.

In case of not providing proof confirming the authenticity of the data used by a declarant, the customs body has a right to make a decision about impossibility of usage of the method selected by the declarant of the customs valuation.

In case of necessity to delay the decision the declared customs value of goods, the declarant has a right to request the customs body of the Republic of Tajikistan to give him/her the declared goods for use on the security of property or guarantee of the authorized bank in accordance with the legislation of the Republic of Tajikistan or pay the customs charges in accordance with the customs valuation of goods carried out by the customs body of the Republic of Tajikistan.

Additional expenses of the declarant arisen due to refining of the customs value declared by him/her or due to provision of additional information to the customs body of the Republic of Tajikistan are born by the declarant. At the same time, the extension of the time for customs clearance resulting from the customs valuation cannot be used by a declarant for the actual postponement of goods duty payment.

The customs body of the Republic of Tajikistan which controls the accuracy of the customs valuation of goods has a right to make a decision on the accuracy of the customs value of goods declared by a declarant.

In case of lack of information confirming the accuracy of the determination of the customs value declared by a declarant or in the presence of reasons to believe that the information provided by the declarant is not authentic and/or sufficient, the customs body of the Republic of Tajikistan can independently determine the customs value of the declared goods by successively using methods of determination of the customs value set up by the law of the Republic of Tajikistan "On customs tariff" based on available information (including price information on identical or similar goods) with adjustment carried out in accordance with the mentioned law.

The customs body of the Republic of Tajikistan upon written request of a declarant should provide the declarant no later than in one month with the written explanation of reasons due to which the customs value declared by the declarant cannot be accepted by the customs body as a basis for duty charge.

In case of disagreement of a declarant with the decision of the customs body of the Republic of Tajikistan regarding determination of the customs value of goods, this decision can be appealed.

Price of lost or damaged goods.

In the practice of application of the customs legislation of the Republic of Tajikistan the price of lost or damaged goods is taken into account during determination of the customs value of goods. Usually it is subtracted from the declared customs value.

**2. How has the provision of Article 4 to allow the importer an option to reverse the order of application of Articles 5 and 6 been implemented?**

The option to reverse the order of application of Articles 5 and 6 is provided to the importer.

The main method of determination of the customs value is the method based on imported goods deal price. In the case if the main method cannot be used, the other methods foreseen by point h – Customs valuation of the Memorandum are applied one after another. Every further method is applied if the customs value cannot be determined via using the previous method.

Methods based on value subtraction and addition can be applied in any order (Articles 5 and 6 of the Agreement).

The customs value through the valuation method based on value subtraction is determined in cases when valued, identical, or similar goods will be sold in the territory of the Republic of Tajikistan without changing its original condition.

During use of the method based on value subtraction, the price of a commodity unit used for sales of the largest consignment of valued, identical or similar goods to a participant of a deal, who is a person not depending on a seller, on the territory of the Republic of Tajikistan no later than 90 days from the date of import of valued goods, is accepted as a basis for determination of the customs value of goods.

The following components are subtracted from the price of a commodity unit:

- expenses related to payment of the commission, usual markup on profit and total expenses related to sales in the Republic of Tajikistan imported goods of the same category and type;
- sums of imported customs duties, taxes, charges and other payments subject to pay in the Republic of Tajikistan related to imports or sales of goods; and
- regular transportation, insurance, loading and unloading expenses incurred in the Republic of Tajikistan.

In the absence of sales cases of valued, identical or similar goods in the same condition in which they were at the moment of import, the price of a commodity unit handled with an adjustment for value added can be used at the request of a declarant.

When the valuation method based on value addition is used, as a basis to determine customs value of goods the price of goods shall be accepted, which is calculated by addition of:

- the cost of materials and expenses of the manufacturer due to production of the valued goods;
- total expenditures related to sales to the Republic of Tajikistan from the exporting country of the same type of goods including expenses related to transportation, loading and unloading, insurance until the place of crossing of the customs border of the Republic of Tajikistan and other expenses;
- profit usually received by the exporter from the delivery of such goods to the Republic of Tajikistan.

### **3. How has Article 5.2 been implemented?**

It is implemented in accordance with requirements of the Agreement on application of Article 7 of GATT.

In the absence of sales cases of valued, identical or similar goods in the same condition in which they were at the moment of import, the price of a commodity unit handled with an adjustment for value added can be used at the request of a declarant.

### **4. How has Article 6.2 been implemented?**

It is implemented in accordance with requirements of the Agreement on application of Article VII of GATT.

### **5. Questions concerning Article 7**

In cases, when customs value cannot be determined by a declarant through sequential use of the methods mentioned in the law of the Republic of Tajikistan "On customs tariff" or when a

customs body has arguments to consider that these methods to determine customs value may not be used, customs value of goods is determined based on world practices.

At the application of the reserve method, the customs body of the Republic of Tajikistan provides the declarant with the pricing information available. The following cannot be used as a basis for determination of the customs value of goods through the reserve method:

- the price of goods in the domestic market of the Republic of Tajikistan;
- the price of goods supplied to the third countries from the export country;
- the price of goods of Tajikistan origin on the domestic market; and
- the price of goods freely fixed or not confirmed.

**6. How have the options found in Article 8.2 been handled? In the case of f.o.b. application, are ex-factory prices also accepted?**

In accordance with the legislation of the Republic of Tajikistan and the Law of the Republic of Tajikistan "On customs tariff", in particular, there are options to handle. In item A above, we mentioned the main components of value which are included at the determination of the customs value.

**7. Where is the rate of exchange published, as required by Article 9.1?**

In accordance with the legislation of the Republic of Tajikistan, the rate of exchange is used effective on a date of export or the date of import. Exchange rates of currencies are published in mass media, in electronic mass media, or are sent by the National bank to the related institutions.

**8. What steps have been taken to ensure confidentiality, as required by Article 10?**

The customs body may use the information provided by a declarant at the declaration of the customs value of goods determined as confidential or a constituent part of a commercial secret, only for customs purposes and cannot convey it to the third persons, including other governmental bodies, without the special permission of a declarant except for cases foreseen by the legislative acts of the Republic of Tajikistan.

The customs body of the Republic of Tajikistan and its officials are responsible for disclosure of the confidential information or constituting a commercial secret, in accordance with the legislation of the Republic of Tajikistan.

**9. Questions concerning Article 11**

Implemented in accordance with requirements of the Agreement on application of Article VII of GATT. The legislation of the Republic of Tajikistan and Article 403 of the Customs Code of the Republic of Tajikistan, in particular, imply that:

"Every person has a right to appeal decisions (including regulatory acts), activity or inactivity of the customs bodies of the Republic of Tajikistan and their officials if considers his/her rights and legitimate interests infringed or if the above-mentioned decisions, activity or inactivity directly and personally affect this person".

**10. Provide information on the publication, as required by Article 12**

In accordance with the customs legislation of the Republic of Tajikistan, the customs body of the Republic of Tajikistan issues customs regulatory acts, including those regulating determination of a customs value, within its jurisdiction.



These regulatory acts are mandatory for implementation by all customs bodies and other governmental institutions of the Republic of Tajikistan, enterprises and organizations regardless of forms of ownership and subordination, as well as officials and citizens.

These acts should be registered in the Ministry of Justice of the Republic of Tajikistan. General regulatory acts of the customs body of the Republic of Tajikistan enter into force after 30 days of their publication by this body, except for cases when these acts set up more favorable rules than those in effect or if legislative acts of the Republic of Tajikistan oblige the customs body to enforce customs regulatory acts in a shorter time.

**11. Questions concerning Article 13**

If it will be necessary to delay the decision on the customs value of goods declared by a declarant, the declarant has a right to request the customs body of the Republic of Tajikistan to give him/her declared goods for use on the security of property or guarantee of the authorized bank, in accordance with the legislation of the Republic of Tajikistan, or pay customs charges, in accordance with the customs valuation of goods implemented by a customs body of the Republic of Tajikistan. That means that such case (last sentence of Article 13 of the Agreement) is foreseen by the legislation of the Republic of Tajikistan.

**12. Questions concerning Article 16**

Such cases are foreseen by item 3 Article 16 of the Law of the Republic of Tajikistan "On Customs tariff" of 4 November 1995.

**13. How have the Interpretative Notes of the Agreement been included?**

The Interpretative Notes of the Agreement will be included into supplementary regulations.

**14. How have the provisions of the Decision of 26 April 1984 on the Treatment of Interest Charges in the Customs Value of Imported Goods (Val/6/Rev.1) been implemented?**

These provisions will be taken into account in the preparation of future regulations or resolutions.

For those countries applying paragraph 2 of the decision of 24 September 1984 on the Valuation of Carrier Media Bearing Software for Data Processing Equipment (Val/8), how have the provisions of this paragraph been implemented?

These provisions will be taken into account in the preparation of future regulations or resolutions.

## ANNEX 5

### Information on Technical Barriers to Trade

#### **1. Description of relevant laws, regulations, administrative instructions, etc. related to the implementation and administration of technical barriers to trade.**

The state policy of the Republic of Tajikistan in standardization, metrology, certification, and accreditation is aimed at providing security of products, works, and services for protection of the environment, life, health and property of citizens. It is not aimed at creating technical barriers to trade.

The most important legal acts include:

- The Law of the Republic of Tajikistan "On Standardization" of 14 December 1996.
- The Law of the Republic of Tajikistan "On Certification of Products and Services" of 13 December 1996.
- The Law of the Republic of Tajikistan "On Provision of Unified Measurements" of 15 May 1997.
- The Law of the Republic of Tajikistan "On Protection of Consumers' Rights" of 15 May 1997.
- The Law of the Republic of Tajikistan "On State Regulation of Production and Turnover of Ethyl Alcohol and Alcohol Products" of 15 May 1997.
- Decree of the President of the Republic of Tajikistan No. 1111 of 20 November 1998 "On Some Measures to Protect Consumer Market of the Republic of Tajikistan."
- Decree of the President of the Republic of Tajikistan No. 1143 of 28 December 1998 "On Strengthening of State Regulation in Production and Turnover of Ethyl Alcohol and Alcohol Products."
- Resolution of the Cabinet of Ministers of the Republic of Tajikistan No. 10 of 31 March 1992 "On Agreement to Conduct Agreed Policy In Standardization, Metrology, and Certification."
- Resolution of the Council of Ministers of the Republic of Tajikistan No. 249 of 2 June 1994 "On National Certification System of Products, Works, and Services of the Republic of Tajikistan."
- Resolution of the Government of the Republic of Tajikistan No. 258 of 10 June 1996 "On Establishment of the State Scientific Center of Expertise and Certification of Pharmaceutical Products, Medical Equipment, Medical and Sanitary-Hygienic Products, and Treatment-Preventive Food and Cosmetics Products."
- Resolution of the Government of the Republic of Tajikistan No.48 of 19 February 1999 "On Complex Measures to Strengthen State Regulation of Production and Turnover of Ethyl Alcohol and Alcohol Products."
- Resolution of the Government of the Republic of Tajikistan No. 97 of 16 March 1999 "On Protection of Consumer Market of the Republic of Tajikistan against Poor Quality Products." This Resolution approved the procedure to certify food and other products brought in and out of the territory of the Republic of Tajikistan. In compliance with this Resolution, Tajikgosstandart developed "Nomenclature of Products and Services (Works) Subject to Mandatory Certification in the Republic of Tajikistan". This Nomenclature was harmonized with CIS countries, agreed with relevant ministries and agencies. According to the Government's Decree, on 1 September 1999 by Tajikgosstandart's Decree No. 265 of 30 August 1999 it was put into effect.
- Resolution of the Government of the Republic of Tajikistan No. 337 of 3 August 1999 "On Entering the Protocol on Unified Procedure to Apply Technical, Medical, Pharmaceutical, Sanitary, Veterinary, Phytosanitary, and Ecological Norms, Rules, and

Requirements with Respect to Products Brought in the Custom Union Member-Countries."

- Resolution of the Government of the Republic of Tajikistan No. 500 of 16 December 1999 "On Creation of State Inspectorate to Test, Certify, and Control Quality of Cotton and Silk-Worm Breeding Products."
- Resolution of the Government of the Republic of Tajikistan No. 38 of 3 February 2000 "On Approval of the Agreement to Prevent and Terminate Using False Products' Labels and Geographical Appellations."
- Resolution of the Government of the Republic of Tajikistan of 19 June 2000 "On Approval Of the Agreement between the Government of the Republic of Tajikistan and the Government of the Republic of Belarus on Cooperation in Standardization, Metrology, and Certification."
- Resolution of the Government of the Republic of Tajikistan of 21 September 2000 "On Approval of the CIS Heads of Governments Decision on Interstate Light Industry Standardization Program for 1999-2000."
- Resolution of the Government of the Republic of Tajikistan No. 374 of 21 September 2000 "On Approval of the CIS Heads' Decision on Interstate Program to Develop and Apply Interstate Standard Samples for Composition, Substance and Materials Features for 1999-2000."
- Resolution of the Government of the Republic of Tajikistan No. 493 of 29 December 2000 "On Approval of the Agreement on Technical Barriers in Free Trade Zone of CIS Member-Countries."
- Resolution of the Government of the Republic of Tajikistan No. 497 of 29 December 2000 "On Approval of the Protocol to Modify the Agreement on Agreed Policy in Standardization, Metrology, and Certification of CIS Member-Countries of March 13, 1992."
- Resolution of the Government of the Republic of Tajikistan No. 496 of 29 December 2000 "On Approval of the CIS Council of Heads of Governments Decision on Interstate Program to Develop Standards in Security and Labor Safety for Mutually Supplied Products in 1999-2000."
- Resolution of the Government of the Republic of Tajikistan No. 84 of 17 February 2001 "On Measures to Streamline Control over Cotton Products Quality."
- Resolution of the Government of the Republic of Tajikistan No. 215 of 8 May 2001 "On Agency on Standardization, Metrology, Certification, and Trade Inspection of the Ministry of Economy and Trade of the Republic of Tajikistan."
- Resolution No. 4 of the Board of the Ministry of Economy and Trade of the Republic of Tajikistan of 18 May 2001 "On Charter Approval of the Agency on Standardization, Metrology, Certification, and Trade Inspection of the Ministry of Economy and Trade of the Republic of Tajikistan."

Principal documents of the state standardization system of the Republic of Tajikistan:

8-1-92	T 50 Procedure to agree, approve and register technical conditions. Main provisions.
8-2-93	T 50 Procedure to develop and supply products to the production site. Main provisions.
18-1-93	T 50 Procedure to develop and supply products to the production site. Main provisions.
18-2-93	T 50 Procedure to agree and register technical conditions. Main provisions.
50-06-97	T 50. State standardization system of the Republic of Tajikistan. Tajikgosstandart's procedure to perform state supervision and control over observance of mandatory standards, rules of certification of products (works, services).
Fundamental documents of the national certification system of the Republic of Tajikistan:	
<u>Standards:</u>	
CT PT 5.1-94	T 50. National certification system of the Republic of Tajikistan. Main provisions.
CT PT 5.2-94	T 50. National certification system of the Republic of Tajikistan. Requirements to certification bodies and accreditation procedure.
CT PT 5.3-94	T 50. National certification system of the Republic of Tajikistan. Product certification procedure. General requirements.
CT PT 5.4-94	T 50. National certification system of the Republic of Tajikistan. Accreditation of pilot laboratories (centers). Main provisions.
CT PT 5.5-94	T 50. National certification system of the Republic of Tajikistan. Rules to keep the state system register.
CT PT 5.6-94	T 50. National certification system of the Republic of Tajikistan. Compliance mark. Form, size, and technical requirements.
<u>Guiding documents:</u>	
ПД PT 50-001-93	T 50. National certification system of the Republic of Tajikistan. Procedure to consider appeals.
ПД PT 50-003-95	T 50. National certification system of the Republic of Tajikistan. Procedure to conduct inspection control over certified products, accredited bodies on certification and pilot laboratories.
ПД PT 50-004-96	T 50. National certification system of the Republic of Tajikistan. Procedure to conduct expertise of bodies, pilot laboratories (centers) on certification and pilot laboratories.
ПД PT 50-10-2001	T 50. Certification of services. Relevant procedure.
ПД PT 50-011-2001	T 50. National certification system of the Republic of Tajikistan. Methodology to certify motor transport.

Documents of the state system to provide unity of measurements:

Guiding documents	
PД PT 50-012-2001	State system to provide unity of measurements. Procedure to standardize length of checks.
PД PT 5-013-2001	State system to provide unity of measurements. Rules to use measurement and measurement devices at trading and public catering enterprises.
CT PT 1.0-96	T 50. State standardization system of the Republic of Tajikistan. Main provisions.
CT PT 1.2-97	T 50. State standardization system of the Republic of Tajikistan. Order of standards development and approval.
CT PT 1.3-96	T 50. State standardization system of the Republic of Tajikistan. Order of development, harmonization, approval and state registration of technical conditions.
CT PT 1.4-96	T 50. State standardization system of the Republic of Tajikistan. Order of development, harmonization, approval of technical description.
CT PT 1.5-96	T 50. State standardization system of the Republic of Tajikistan. Requirements for development, description, registration and contents of standards.

### Law "On Standardization"

According to this Law, the main objectives of standardization (Article 1) are to ensure:

- safety of products, works, and services for life, health, property, and environmental protection;
- requirements on compatibility and mutual substitution of products;
- quality of products, works, and services in compliance with progress of science, technique and technology, and competitiveness at the world market;
- protection of consumers' interests and rights;
- defense and mobilization preparedness of the country.

Tajikgosstandart performs state standardization management in the Republic of Tajikistan. Tajikgosstandart defines and implements the state policy in standardization, executes state supervision and control over observance of compulsory normative documents, participates in international standardization activities, establishes rules to apply international (regional) standards, norms, rules, and recommendations on standardization on the territory of the Republic of Tajikistan (Article 6).

Currently, Tajikgosstandart applies its own standards (ST RT), interstate standards (GOST), interstate standards harmonized with ISO (GOST ISO), standards of other countries (Belarus, Ukraine). The Republic of Tajikistan signed the CIS Agreement on coordinated policy in Standardization, Metrology, and Certification of 13 March 1992, as well as the Protocol of 20 June 2000 on changes and amendments to this Agreement. The Republic of Tajikistan is a member of the CIS Interstate Council on Standardization, Metrology, and Certification. Interstate CIS standards (GOST) are developed, approved, and registered in compliance with the above-mentioned Agreement. Article 1 of the Agreement envisages harmonization of new GOSTs requirements with international, regional, and leading national standards.

In addition, bilateral agreements on cooperation in standardization, metrology, and certification were signed between the Government of the Republic of Tajikistan and the Government of the Republic of Belarus, the Cabinet of Ministers of Ukraine. Similar agreements are being prepared for signing with the Republic of Armenia, Kyrgyz Republic, Republic of Kazakhstan, Russian Federation, and Republic of Moldova.

There are more than 20,500 standards in the Republic of Tajikistan. These are mainly interstate standards (19,500), state standards of the Republic of Tajikistan (around 350), as well as standards of the Republic of Belarus and Ukraine based on bilateral agreements.

Tajikgosstandart, as well as other governmental bodies, approves the state standards of the Republic of Tajikistan.

Tajikgosstandart is a state body representing the Republic of Tajikistan in international (regional) standardization organizations. If an international agreement stipulates other rules than those contained in the national standardization agreement, rules of the international agreement are applied.

#### Law "On Certification of Products and Services"

According to Article 1 of this Law, certification is implemented to:

- protect interests with respect to safety of products for life, health, property, environmental protection, information compatibility and interchangeability of products;
- create conditions for activities of enterprises, organizations, and entrepreneurs at the single commodity market of the Republic of Tajikistan, as well as for participation in international economic scientific-technical cooperation and international trade;
- provide assistance to consumers regarding competent product selection;
- confirm product quality indicators declared by the producer (seller). Certification may be compulsory and voluntary.

According to Article 6, Tajikgosstandart arranges and performs activities on compulsory certification. In cases foreseen by the legislation of the Republic of Tajikistan with respect to specific products, other governmental institutions may be responsible for certification.

Producers (sellers) are obliged to:

- sell products subject to compulsory certification only upon availability of the required certificate of compliance issued or accepted by Tajikgosstandart;
- ensure compliance of products with normative documents requirements;
- suspend or stop sales of certified products if they do not comply with normative documents, upon certificate of compliance expiration, or if certificate of compliance was suspended or cancelled by a certification body (Article 12).

Advertisement of products subject to compulsory certification but without certificate of compliance is prohibited (Article 6).

At import to the country of goods subject to compulsory certification, they should have the certificate of compliance issued or accepted by Tajikgosstandart bodies (Article 13).

Article 17 states that voluntary certification may be performed by any legal person who voluntarily performs certification and is registered at Tajikgosstandart based on procedures.

#### Law "On Provision of Unified Measurements"

The law defines a legal basis to provide measurements unity in the Republic of Tajikistan, regulates relations of governmental institutions of the country with legal persons and individuals on production, use, maintenance, repair, sales, and import of measurement devices. The law is aimed at protection of rights and legal interests of citizens, law and order, and the economy of the Republic of Tajikistan from negative implications of biased outcomes of measurements.

Tajikgosstandart performs state management of activities to ensure the measurement unity in the Republic of Tajikistan (article 4).

The competence of Tajikgosstandart covers:

- inter-regional and inter-branch activities to ensure the unity measurement;
- determining rules of creation, approval, keeping and using measurements unit models;
- determining general meteorological requirements on ways, methods, and outcomes of measurement;
- state meteorological control and surveillance;
- management of state meteorological service and other meteorological measurement unity services;
- participation in international organizations activities with respect to measurement unity provision.

If international agreements of the Republic of Tajikistan stipulate other rules than in the legislation of the Republic of Tajikistan on measurement unity provision, provisions of international treaties are applied.

#### Law "On Protection of Consumers' Rights"

The law defines relations emerging between consumers and entrepreneurs; determines consumers' rights to acquire goods (works and services) of proper quality for safety of their lives and health, to receive information on goods (works and services) and their producers (sellers), to provide education for consumers, state and public protection of their interests, to join consumers in public consumers' associations.

In order to provide safety of goods (works, and services) and in conformity with Article 38, the Ministry of Health of the Republic of Tajikistan, Ministry of Environment Protection of the Republic of Tajikistan and other governmental institutions responsible for control over safety of goods (works and services) within their competence, determine compulsory requirements on safety of goods (works and services), and perform control over observance of these requirements. They also:

- Send instructions on elimination of violations of safety requirements of goods (works, and services), on phasing out, suspension of production and sales of such products (works and services), on recall of them from consumers, as well as inform consumers about these actions;
- Bring suits against producers (suppliers) in courts or economic courts in case products do not correspond to requirements on safety of goods (works and services).

Tajikgosstandart coordinates governmental institutions activities performing control over safety of goods (works and services).

#### Resolution No. 97 of the Government of the Republic of Tajikistan of 16 March 1999 "On protection of consumer market of the Republic of Tajikistan from low quality Goods."

This Resolution approved the procedure of certification of imported and exported foodstuff and other goods. In accordance with this resolution, Tajikgosstandart developed "Nomenclature of Products and Services (Works) Subject to Mandatory Certification in the Republic of Tajikistan". This Nomenclature was harmonized with the CIS countries, agreed with relevant ministries and agencies. According to the Government's Decree and by Decree No. 265 of Tajikgosstandart of 10 August 1999, on 1 September 1999 it was put into force.

The list of products, which are subject to compulsory certification to ensure safety of health, property and environment, consists of the following:

- Goods for children;
- Food products, agricultural and fodder products;
- Medications and herbs;
- Consumer goods, which are in contact with skin, foods products and drinking water;
- Fuel;
- Household chemical goods;
- Perfumes and cosmetics;
- Pesticides and mineral fertilizers;
- Machinery, instrument-making and home use products;
- Agricultural machinery;
- Personal security devices;
- Electrotechnical, radio technical, electronic products to test for electromagnetic compatibility and safety;
- Building materials and constructions;
- Communications means;
- Explosion- and fire-proof substance, materials, and products;
- Explosive materials and devices for blasting operations and lifting winches;
- Oil, oil products, gas, electric power, heat power.

Sales of these products regardless of the fact whether they are imported to the country or locally produced, are not allowed without a certificate of compliance.

This Nomenclature defines the list of services (works), which are subject to mandatory certification the Republic of Tajikistan.

The Resolution No. 97 of the Government of the Republic of Tajikistan of 16 March 1999 approved the procedure to certify imported and exported foodstuff and other goods. The procedure specifies that food and other goods be allowed to the customs territory of the Republic of Tajikistan provided that they comply with the requirements of compulsory certification. The document confirming this compliance is a certificate of compliance based on rules of the national certification system of the Republic of Tajikistan, which may serve as acknowledgement evidence of a foreign certificate and replace it in the territory of the Republic of Tajikistan.

Certification of imported and exported products is implemented based on protocols of tests undertaken in pilot laboratories accredited by Tajikgosstandart and the Ministry of Health of the Republic of Tajikistan.

Certification of products and issuing of certificates of compliance valid on the territory of the Republic of Tajikistan may be carried out only in the following cases:

- upon availability of certificates of compliance issued in the CIS countries-members of the Interstate Council on Standardization, Metrology and Certification, Registration, Standardization and Quality Control of Medical and Pharmaceutical Products;
- a certification body located on the territory of the Republic of Tajikistan and accredited in the national certification system for a relevant group of products;
- by Tajikgosstandart and the Ministry of Health of the Republic Tajikistan or on its behalf by a territorial certification body accredited in the national certification system.



Certification bodies serving as subcontractors and various governmental institutions and units involved in certification are not allowed to carry out activities without permission of Tajikgosstandart and the Ministry of Health of the Republic of Tajikistan.

**2. Information regarding:**

**(a) Names of publications, if any, on work relating to draft technical regulations or standards procedures**

There is no publication on work relating to draft technical regulations or standard procedures.

Official information on state standards is published in annual Directories of Standards and Technical Conditions in effect in the Republic of Tajikistan.

**(b) The name and address of the enquiry point(s) foreseen in Articles 10.1 and 10.3 of the WTO Agreement on Technical Barriers to Trade (the Agreement) with an indication as to whether it is/they are fully operational**

**(c) The name and address of the agency dealing with consultations as foreseen in Article 14 of the Agreement**

**(d) The name and address of agencies that are dealing with other specific functions foreseen in the Agreement**

The following Agency is responsible for issues referred to in subsection 2. (b), (c) and (d) of "Information on Technical Barriers to Trade":

Name of Agency: Agency on Standardization, Metrology,  
Certification, and Trade Inspection, Ministry of Economy and Trade,  
Republic of Tajikistan ("Tajikgosstandart")  
42/2 Karabaev St., Dushanbe, 734018, Tajikistan

Tel: (992 372) 33 68 69

Fax: (992 372) 34 19 33

E-mail: [tjstanda@tajik.net](mailto:tjstanda@tajik.net)

**(e) The scope of responsibility of the central government authorities in the area of notification requirements foreseen in Article 10.11 of the Agreement and of individual government authorities, if the responsibility is divided among two or more such authorities**

Principal goal of the standardization policy is determination and realization of measures directed to enforcing impact of standardization means, including metrology and certification, improvement of government control and surveillance in reforming domestic economy, improvement quality and competitiveness of products and services.

Tajikgosstandart's activity, particularly in recent years, was aimed at establishing priorities in various spheres of the economy, in production, in partner contractual relations, in the sphere of commodity circulation and services. At the same time, it had been making use of legal rights and obligations established laws of the Republic of Tajikistan "On Standardization", "On Product and Service Certification", "On providing Measurement Unity", "On protection of Consumer's rights" as well as in decrees of the President of Tajikistan, including government resolutions and many other norms and legal acts.

Standardization. Development of market relations requires new approaches in implementation of standards differing from those applied in a centrally-planned economy. For instance, reduction of the number of requirements, and consequently the number of documents made possible wide use of interstate standards.

Standards in the Republic of Tajikistan are applied to goods, works and services during the whole their life cycle and can be used by all participants of these processes. At present, in Tajikistan more than 30,000 interstate standards (GOST) were enforced and 1.5 thousand standards were harmonized with ISO, including 538 European directives, 20,000 national standards of the CIS countries and around 700 state standards and technical norms of Tajikistan.

Metrology. In its activity in the field of metrology "Tajikgosstandart" uses provisions of the Law of the Republic of Tajikistan "On Providing Measurement Unity". Based on this document, organizing procedures for checking measurement instrumentation used in the area of obligatory governmental control and supervision were defined.

Certification. Certification base in the Republic of Tajikistan includes: aggregate normative documents in conformity with requirements of product and services certification, as well as documents defining methods of observance of checking requirements; registration of organizational and methodical documents, determining rules and procedures of certification.

## **ANNEX 6**

### **Information on State-Trading**

For the information on state-trading see sub-section (e) "State-Trading Practices", Section IV.3 of the Memorandum.

## ANNEX 7

### Service Sectoral Qualification List

#### I. BUSINESS SERVICES

No.	Types of services	Regulating agencies	Licence requirements
<b>1. Professional Services</b>			
(a)	Legal Services	<p>Ministry of Justice of the Republic of Tajikistan issues licenses to provide legal assistance as an attorney based on the order set by the Government of the Republic of Tajikistan.</p> <p>Types of legal assistance rendered by attorneys include the following:</p> <ul style="list-style-type: none"> <li>- Advice and explanation, oral and written inquiry on legal issues</li> <li>- Drafting of complaints, petitions, claims and other legal documents</li> <li>- Enquiring, gathering information and preparing materials for consideration and resolution in due order</li> <li>- Representing in civil cases, administrative offence cases, etc.</li> <li>- Participation in criminal proceedings, in economic disputes, and as defenders or other representatives in the Constitutional Court</li> <li>- Other ways of rendering assistance not contradictory to current legislation</li> </ul>	<p>Legal assistance by professional lawyers who are not members of the Board of Attorneys is rendered based on their license. Everyone who claims a license as an attorney should personally submit the application form, documents confirming citizenship of the Republic of Tajikistan, legal education and length of service as a lawyer not less than two years and pass a qualifying examination in the Ministry of Justice of the Republic of Tajikistan. Person who meets requirements of the constitutional law "On Advocacy" and who passed a qualifying examination cannot be denied a license. The issue of an attorney license usually takes about one month since the moment of applying.</p> <p>The order and a size of payment for a license are determined by the Ministry of Justice of the Republic of Tajikistan in coordination with the Ministry of Finance of the Republic of Tajikistan. In case of denial of license, the Ministry of Justice of the Republic of Tajikistan should inform an applicant in writing and explain reasons. The decision made or non-consideration of a claim can be appealed to the Supreme Court of the Republic of Tajikistan.</p>

No.	Types of services	Regulating agencies	Licence requirements
(b)	Accounting, auditing and bookkeeping services	Activity of the auditing providing companies as well as individual auditors are regulated by the Law "On Auditing activity in the Republic of Tajikistan" of 21 May 1998 No. 601	<p>Audit services in the Republic of Tajikistan could be provided both by local and foreign auditors or auditing companies. License is required for providing such services.</p> <p>Licenses are issued by the Qualification Commission, which includes representatives of the central economic bodies, bankers, tax officials, academicians and auditors. The Plenary meeting of the Auditors Board elects a Qualification Commission for the period of 5 years.</p> <p>Qualification requirements:</p> <ul style="list-style-type: none"> <li>- to be a citizen of the Republic of Tajikistan;</li> <li>- to have a higher educational level;</li> <li>- to have at least 5 years of working experience as a accountant, inspector, economist, financier or jurist.</li> </ul>
(c)	Taxation services	None	None
(d) (e) (f) (g)	Architectural services Engineering services Integrated engineering services Urban planning and landscape architectural services	Committee on Architecture and Construction works within the Government of the Republic of Tajikistan	See Section III of this Annex
(h)	Medical and dental services	Ministry of Health of the Republic of Tajikistan	License requirements for dealing with a medical practice and providing medical services stipulated in Articles 13,14 and 15 of the Law of the Republic of Tajikistan "On health protection of Population" of 15 May 1997.
(i)	Veterinary services	The Ministry of Agriculture of the Republic of Tajikistan organizes the veterinary in the Republic of Tajikistan. Management of veterinary and implementation of the Law on veterinary in the Republic of Tajikistan, as well as other acts of Tajikistan on veterinary is carried out by the Main Department of Veterinary Management of the Ministry of Agriculture of the Republic of Tajikistan (with the State Veterinary Inspection).	The right on private veterinary practice is given to a person having high or secondary veterinary education, who has received a license (certificate) in regional (city) veterinary station for combating diseases of animals.
(j)	Services provided by midwives, nurses, physiotherapists and para-medical personnel	Ministry of Health of the Republic of Tajikistan	See Section h) above- New regulations are been prepared.

No.	Types of services	Regulating agencies	Licence requirements
(k)	Other: Services on technical tests and analysis	Agency on Standardization, Metrology, Certification, and Trade Inspection (Tajikgosstandart)	
		- accredited as a body on products certification	Availability of necessary equipment, measurement devices, materials, test methodology, normative documentation, and qualified staff based on requirements with respect to certified product category standards.
		- accreditation pilot units (laboratories)	--/--/--
		- licensing of activities to check and repair measurement devices	Availability of necessary conditions allowing to perform such an activity
2.	Certification of works and services provided to population by enterprises and organizations	Agency on Standardization, Metrology, Certification, and Trade Inspection (Tajikgosstandart)	
		- repair and maintenance of radio-electronic and electric home equipment	Availability of necessary equipment, measurement devices, materials, test methodology, normative documentation, and qualified staff based on requirements with respect to certified product category standards.
		- maintenance and repair of motor transport	--/--/--
		- Dry cleaning and painting	--/--/--
		- services of passenger transport	Availability of necessary conditions allowing to perform such an activity
		- public utilities	--/--/--
		- tourism services	--/--/--

## 2. Research and Development Services

Types of services	Regulating agencies	Licence requirements
R&D services in natural sciences	Academy of Sciences of the Republic of Tajikistan	<p>The Government of the Republic of Tajikistan shall have the right:</p> <ul style="list-style-type: none"> <li>- to set the procedure of conducting scientific research and usage of scientific and/or scientific results, which can create a threat to the Republic of Tajikistan, health of citizens and environment;</li> <li>- to license certain types of scientific and/or scientific-technical activity;</li> <li>- to introduce restrictions on the right of usage of certain scientific and/or scientific-technical results in cases foreseen by the legislation of the Republic of Tajikistan by extending secrecy regime on them and inspecting its observance;</li> <li>- to introduce certification and meteorological requirements on certain types of scientific and/or scientific-technical activity.</li> </ul>

### 3. Rental/Leaving Services

Types of services	Regulating agencies	Licence requirements
Leasing of Means of Transport	Ministry of Transportation	Leasing of Means of Transport is regulated by Articles 653-670 of the Civil Code of the Republic of Tajikistan. However, these provisions do not contain specified licensing requirements.

### 4. Other Business Services

Types of services	Regulating agencies	Licence requirements
Services incidental to agriculture, hunting and forestry	The responsible bodies in the field of hunting and forestry regulation are "Tajikles", Ministry of Environment Protection and local executive bodies (Hukumats)	Provisions concerning hunting are contained in the Law "On Protection and Use of the Animal World" of 20 July 1994, in particular Article 15, 19-22.

## II. COMMUNICATION SERVICES

Type of Services	Responsible organization	Licence requirement
<b>1. Postal Services</b>		
Periodical press (newspapers, magazines); Written correspondence (ordinary, registered); Parcels; and Money transfers	Ministry of Communications of the Republic of Tajikistan	"Regulations on Licensing Activities in Communications" approved by the Decree of the Council of Ministers of the Republic of Tajikistan of 1 August 1996, No. 369 require private postal service providers to be licensed, specify the licensing procedure but do not specify the qualifications required to obtain a license.
<b>2. Courier Services</b>		
Ministry of Communications of the Republic of Tajikistan		Courier services are regulated by Law of the Republic of Tajikistan "On Courier Services" of 2 December 2002.
<b>3. Telecommunications, audiovisual, and other services</b>		
<p>According to the Decree No. 369 of the Government of the Republic of Tajikistan "On approval of Regulations on Licensing Activities in Communications" of 1 August 1994, the Ministry of Communications (beginning 2003, in accordance with the law of the Republic of Tajikistan "On telecommunications", by the authorized body on regulation of communication) licenses all works on designing, construction and operation of the following types of telecommunications:</p> <ul style="list-style-type: none"> <li>- Local telephone services</li> <li>- Inter-zone telephone services</li> <li>- Intercity and international phone services</li> <li>- Services to provide for use channels and communications tracts</li> <li>- Telegraph services</li> <li>- Data transfer services</li> <li>- Telematic services (Internet, e-mail, fax, teletext, videotext, audio conference, video conference, etc)</li> <li>- Mobile radiophone services</li> <li>- Cellular radiophone services</li> <li>- Personal global satellite services</li> <li>- Personal radio call services</li> <li>- Personal radio call services with dense channels</li> <li>- Sound and television broadcasting services</li> <li>- Fixed radio connection services</li> <li>- Services to provide lease of satellite, radio-relay, and radio connection channels</li> <li>- Electronic means (radio stations, satellite phones, ground stations, radiomodems, etc.)</li> </ul>		<p>Activity of physical and legal entities in the area of telecommunications is subject to licensing. Licensing in the area of telecommunications shall be implemented for the following purposes:</p> <ul style="list-style-type: none"> <li>- implementation of a single state policy in the area of telecommunications, coordination of activity of different telecommunication operators on the market in order to provide cooperation between them and general telecommunication networks;</li> <li>- facilitation to demonopolization of activity in the area of telecommunications, development of liberalization of the telecommunication services market, development of entrepreneurship and free competition;</li> <li>- attraction of foreign investment in development of the branch;</li> <li>- provision of high quality telecommunication services.</li> </ul> <p>Licenses for certain types of telecommunication activity can be typical or individual. Typical licenses are licenses issued to physical or legal entities for telecommunication activity based on single requirements for obtaining licenses. Contents of typical licenses shall be the same for all licenses on operation of telecommunication networks of the same type as well as the same type of telecommunication services.</p> <p>Individual licenses are licenses issued to physical or legal entities for telecommunication activity based on special requirements and conditions. Designing, construction, operation and providing of telecommunication services to the following are subject to individual licensing:</p> <ul style="list-style-type: none"> <li>- local, long-distance and international general telecommunication networks;</li> <li>- mobile radiotelephony (mobile cellular communication) networks;</li> <li>- personal radio call networks;</li> <li>- data transmission networks;</li> <li>- TV and radio broadcasting networks.</li> </ul>



Type of Services	Responsible organization	Licence requirement
<ul style="list-style-type: none"> <li>- Electric linking systems and devices, postal services, television and radio broadcasting: design, production, construction, installment of networks, lines</li> <li>- Supply, startup, and maintenance of mini telephone exchanges</li> <li>- Sales of cellular phone receivers and accessories</li> <li>- Sales of radio</li> </ul>		<p>All legal and physical entities shall have equal rights on obtaining license. The issuance of license could be denied as a result of technical restrictions and limited availability of frequencies or if an applicant does not have technical and financial capacity to stable fulfilment of obligations in accordance with conditions based on which the applicant implements its activity.</p> <p>Issuance, change, extension, suspension or retraction of licenses for telecommunication activity is a responsibility of the authorized body on regulation of communications.</p> <p>The Government of the Republic of Tajikistan sets the procedure and conditions of licenses issuance, their validity, suspension or discontinuation, as well as license issuance fees.</p> <p>If the number of licenses is restricted due to technical reasons, licenses can be issued on competitive (tender) basis. The Government of the Republic of Tajikistan determines the procedure of conducting competition (tender).</p> <p>Foreign participation in local enterprises providing telecommunications services is encouraged especially in the area of foreign investment attraction in projects on improvement of the telecommunications services system.</p> <p>The Decree No. 369 of the Government of the Republic of Tajikistan does not specify qualification requirements for licensing of communication services. However, these requirements are foreseen in the new project of the regulation on licensing telecommunications activities and services, which is currently under development.</p>

Tariffs for communications services of jurisdictional enterprises are determined by the Communications Ministry of Republic of Tajikistan, as well as by communications services enterprises determined by the Communications Ministry. Tariffs for telecommunications and postal services for everyone are agreed with the Agency on Antimonopoly Policy and Entrepreneurship Support of the Government of the Republic of Tajikistan, the state body regulating activities of natural monopolies.

### III. CONSTRUCTION AND RELATED ENGINEERING SERVICES

Types of services	Regulating agencies	Licence requirements
General construction work for building	Licenses for construction activity are issued by the Committee on architecture and construction under the Government of Tajikistan	Regulation "On state licensing of construction activity on the territory of Tajikistan" approved on 6 May 1997 by the Decree No. 211 is applied to all local and foreign organizations, companies, firms, enterprises and other legal entities involved in construction activity in accordance with nomenclature of works and approved classifier. Physical persons are mentioned in the list of subjects who need a license. In practice, the rules with regard to them are not applied since the order of registration and issuance of licenses to physical persons does not exist. For further details see Section 5.g of Part VI of this Memorandum.
General construction work for civil engineering	See Item 1 above	See Item 1 above
Installation and assembly work	See Item 1 above	See Item 1 above
Building completion and finishing work	See Item 1 above	See Item 1 above

#### IV. DISTRIBUTION SERVICES

Types of services	Regulating agencies	Licence requirements
Wholesale trade services	Only limited goods categories require specific license in wholesales. Corporation "Khurokvory" issues license for wholesales of the following items: - ethyl alcohol and alcohol drinks - tobacco and tobacco goods	- "Regulation on order of fixing quotas on import, export and purchases of ethyl alcohol and alcohol products" approved by the Decree of the Government of the Republic of Tajikistan No.131 of 7 April 1999 specify the licensing procedures in wholesales of ethyl alcohol and alcohol drinks. - "Instruction on issuance order of licenses on purchases, proceedings, import, export and wholesales of tobacco and tobacco products" approved by the Governments' Decree No. 453 of 27 October 1999 set up licensing requirements and procedures in tobacco and tobacco goods wholesales.
Retailing services	Generally, the appropriate local state administration body must license all physical and legal entities desiring to engage in retail trade. Retail trade in the following items requires a special license:  - Alcoholic beverages, liqueurs and spirits. Retailers must have a license from Corporation "Khurokvory"	All enterprises engaged in retail trade are required to have cash control system and devices. Qualifications for a license are not specified in law or regulations. Licensing procedures are not specified. "Regulation on order of fixing quotas on import, export and purchases of ethyl alcohol and alcohol products" approved by the Decree of the Government of the Republic of Tajikistan No.131 of 7 April 1999 specify the licensing procedures in retail trade of alcohol products for a license and the procedure to be followed. However, no qualification requirements are specified by the Regulation.

#### V. EDUCATIONAL SERVICES

Types of services	Regulating agencies	Licence requirements
Primary education Services	The Ministry of Education of the Republic of Tajikistan licenses activities of all education institutions.	Regulation of the Ministry of Education of the Republic of Tajikistan No. 6/15 of 7 June 2000 on licensing of education institutions of the Republic of Tajikistan defines qualification requirements to obtain a license. An applicant should have the logistics basis, staff, curriculum and education programs, and teaching aids in compliance with government education standards. The applicant should present an application, the charter of an education institution, curricula and programs, teaching-methodological literature, data on staff, logistics and finance.
Secondary education Services	See above Item 1.	See above Item 1.
Higher education services	See above Item 1.	See above Item 1. In addition, not less than 30% of staff should have academic degrees and status.
Adult education services		See above Item 1. In addition, not less than 30% of staff should have academic degrees and status.
Other education services	See above Item 1.	See above Item 1.

## VI. FINANCIAL SERVICES

The Tax Code of the Republic of Tajikistan, Article 17, defines the financial services in the following way:

- Repayment of debts, debt guarantees and guarantee security of monetary transaction, including debt management (credits) and debt guarantee from the parties, which give a credit or guarantee;
- Transactions to manage deposit accounts, fees, money transfers, debt commitments, payments means, and clients' property;
- Transactions on turnover of shares, bonds, certificates, bills, checks, and other securities (excluding services related to their storing);
- Services to manage investment banks;
- Insurance and re-insurance transactions.

Types of services	Regulating agencies	License requirements
<b>All insurance and health insurance services</b>		
<ul style="list-style-type: none"> <li>- Life accident and health insurance service</li> <li>- Non-life insurance services</li> <li>- Re-insurance and retrocession</li> <li>- Services auxiliary to insurance (including broking and agency services)</li> </ul>	<p>The activity of all insurance agencies as well foreign ones, including joint insurance ventures with foreign capital and their branches performing insurance activities on the territory of the Republic of Tajikistan are subject to compulsory registration at the State Notaries Offices and licensing at the State insurance control of the Ministry of Finance of the Republic of Tajikistan. Registration of reinsurance agencies and licensing of their activity is implemented in the order stipulated by this Article.</p>	<p>Legal persons that are commercial organization and have a license for the conduct of insurance of the respective type may make contracts of insurance as insurers.</p> <p>The requirements which insurance organizations must meet and also the procedure for licensing their activity and for the exercise of state supervision over their activities determined by the Law on insurance of the Republic of Tajikistan of 20 July 1994 No. 981 (amendments made by the laws of the Republic of Tajikistan of 15 May 1997 No.421, of 12 December 1997 No.498, of 14 May 1999 No. 762).</p> <p>Article 28 of this Law stipulates follows:</p> <p>Registration of insurance agencies is carried out during 30 days since the receipt date by the respective State notary office of an application with the following documents attached:</p> <ul style="list-style-type: none"> <li>- Protocol of the creation of the insurance agency;</li> <li>- Constituent agreement;</li> <li>- Insurer's statute;</li> <li>- Information of professional proficiency of insurance agency managers (Director and Chief Accountant);</li> <li>- Legal conclusion of the Ministry Justice on constituent documents;</li> <li>- Classification code of the statistical bodies;</li> </ul> <p>Licenses for insurance activity are issued to insurers grounded on their application with the following supplements:</p> <ul style="list-style-type: none"> <li>- Information from credit institutions about the paid authorized capital and license fee;</li> <li>- A feasibility study of insurance activity;</li> <li>- Rules or conditions of a specific kind of insurance;</li> <li>- Calculation of insurance tariffs.</li> </ul>

Banking and Financial Services	Regulating authority
<p>In accordance with the Law of the Republic of Tajikistan "On Banks and Banking Activity," Article 2, banking services include the following activities:</p> <ul style="list-style-type: none"> <li>- Savings of legal entities;</li> <li>- Savings of individuals;</li> <li>- Maintenance of accounts of clients, correspondent accounts of banks and non banking financial institutions, as well as coinage of banks;</li> <li>- Treasury transactions, such as acceptance, counting, exchange, packing, storing of paper money and coinage;</li> <li>- Transfers, fulfilment of orders of legal entities and individuals with regard to money transfers;</li> <li>- Credit transactions; granting credits;</li> <li>- Provision of funds following orders of owners or authorized investment funds;</li> <li>- Trust transactions; management of funds, securities for the benefit and following an instruction of a proxy;</li> <li>- Legal transactions such as collection, examination, differentiation by type and approval of payments, as well as mutual payments and defining positions of clearing participants;</li> <li>- Safe transactions, such as storing documents and valuables of clients, lease of safe boxes, etc.</li> <li>- Lombard transactions, granting short-term credits based on pledge of depositing securities and liquidity property;</li> <li>- Issuing checks;</li> <li>- Collection orders, acceptance, payment and approval of payment documents, opening and approving commercial letters of credits;</li> <li>- Issuing payment orders;</li> <li>- Acceptance and sending paper money, coins and valuables;</li> <li>- Exchange transactions with a foreign currency.</li> </ul>	<p>Only the National Bank of the Republic of Tajikistan is entitled to perform the above-mentioned operations, and issue licenses for other banks, legal entities, and individuals.</p>
<p>Provided that licenses of the National Bank are granted, except for operations mentioned in Article 2, banks may perform the following operations:</p> <ul style="list-style-type: none"> <li>- Purchase, pledge, accounting, storing, and sales of precious metals (gold, silver, platinum, platinum metals group) in molten, powder, crystal, and granular state; coins from precious metals as well as jewelry products containing precious metals;</li> <li>- Placing investment outside of Tajikistan;</li> <li>- Guarantee transactions, such as issuing a proxy, a guarantee letter and other commitments of third parties, which imply fulfilment of a guarantee letter of credit (stand-by credit) in written form;</li> <li>- Rent of property with preserving all lessor's rights with respect to this property within the entire agreement period (leasing);</li> <li>- Issuing personal securities (shares, loans, bills, and deposit certificates);</li> <li>- Factoring transactions, such as acquisition of right to demand from a buyer to pay for property (works and services) acquiring the non-payment risk;</li> <li>- Forfeiting transactions, such as payment of a buyer's debt commitment with regard to property (works and services) through purchase of bill without a seller's commitment;</li> </ul>	<p>Banks may perform intermediary operations in the securities market only provided that a license of the National Bank of Tajikistan is available.</p>

**VII. HEALTH-RELATED AND SOCIAL SERVICES**

(other than those listed under I.1....h)-j)

Types of services	Regulating agencies	Licence requirements
Hospital services	Ministry of Health of the Republic of Tajikistan	License requirements for dealing with a medical practice and providing medical services stipulated in Articles 13,14 and 15 of the Law of the Republic of Tajikistan "On health protection of Population" of 15 May 1997. For more details see Section 5 c of the Part VI of the Memorandum.
Other Human health services	See Item 1 above	See Item 1 above

**VIII. TOURISM AND TRAVEL-RELATED SERVICES**

Types of services	Regulating agencies	Licence requirements
Hotels and restaurants (incl. Catering)	Law of the Republic of Tajikistan "On Tourism" of 3 September 1999, No.325, regulates tourism activity in the Republic of Tajikistan.  At present tourism regulating agency in Tajikistan is the Unitary enterprise "Sayeh" (tourist) of the Ministry of Economy and Trade of Tajikistan.	For more detail see Section 5 (h) of Part VI of the Memorandum.
Travel agencies and tour operators services		
Tourist guides services		
Other		

## IX. RECREATIONAL, CULTURAL AND SPORTING SERVICES

(other than audiovisual services)

Types of services	Regulating agencies	Licence requirements
Entertainment services (incl. Theatre, live bands and circus services)	Ministry of Culture of the Republic of Tajikistan	These services are regulated in accordance with the law of the Republic of Tajikistan "On culture" based on the Regulation about the Ministry of Culture of the Republic of Tajikistan, structural regulations and statutes. The Ministry of Culture developed a draft Regulation "On state licensing of entertainment activity, sales of audio and video production, CDs and games software" where a number of entertainment services will be licensed. Currently, entertainment services are regulated by the above-mentioned laws and regulatory documents.

## X. TRANSPORT SERVICES

Types of services	Regulating agencies	Licence requirements
Transportation services	<p>Ministry of Transportation of the Republic of Tajikistan is responsible body for issuance of license for providing transport services.</p> <p>Activities of legal and physical persons regardless of forms of ownership is subject to licensing if they are involved in the following:</p> <ul style="list-style-type: none"> <li>- Automobile, Railway, Water and Air passenger and freight transportation (except for international automobile transportation);</li> <li>- Forwarding activity;</li> <li>- Air traffic servicing, as well as air planes, passengers, luggage, cargo and mail on airfields and airports;</li> <li>- Aerial works to meet needs of citizens and legal persons including in the air space of foreign countries, as well as activity on provision of aerial works;</li> <li>- Training of specialists of required level according to the list of aviation personnel posts;</li> <li>- Activity of aviation public associations on control over technical conditions and safety of general airplanes operation intended for sport, training, advertisement and other purposes;</li> <li>- Transportation-operational activity on local railways;</li> <li>- Preparation of wagons, containers for cargo transportation and additional equipment of the rolling stock;</li> <li>- Loading and unloading and warehousing operations;</li> <li>- Completion of transportation documents, delivery, reception and storing of cargo;</li> </ul>	<p>The order of issuing licenses is determined by the Decree No.252 of the Government of the Republic of Tajikistan of 11 June 2001.</p> <ul style="list-style-type: none"> <li>- In order to obtain licenses an applicant should submit to the licensing body all required documents in the order approved by the Minister of Transport of the Republic of Tajikistan</li> <li>- Licenses are issued separately for each type of activity and valid on the territory of the Republic of Tajikistan. The licensing card per each transportation means should be attached to it.</li> <li>- License period of validity is fixed for physical persons not more than one year, and for legal persons—not less than one year.</li> <li>- Forms of licenses and licensing cards are approved by the Minister of transport of the Republic of Tajikistan and are documents of strict accountability which have registration number and series. The licensing body is responsible for provision, registration, and storage of licenses and licensing cards.</li> <li>- Decision on license issuance or denial is made during 15 days since the moment of the application. License or licensing cards issuance takes place during 3 days after submission of the document confirming payment of the licensing fee by the applicant. In case of non-payment of this fee by the applicant during one month after the decision made by the licensing body it has a right to cancel its decision.</li> <li>- If during the period of validity of the previous license the licensing requirements and conditions were violated by the applicant, he/she can be denied license issuance for a new term by the licensing body. In case if</li> </ul>

Types of services	Regulating agencies	Licence requirements
	<ul style="list-style-type: none"> <li>- Information support of the transportation process;</li> <li>- Repair and maintenance of railways of industrial enterprises;</li> <li>- Repair and maintenance of crossings and technological passages for industrial transport;</li> <li>- Designing-development works related to construction, reconstruction, repair of automobile roads and railways;</li> <li>- Repair and maintenance of transportation means (automobiles, locomotives, wagons, airplanes and their units, tires, etc.);</li> <li>- Repair and organization of construction of automobile roads and railways;</li> <li>- Training and retraining of drivers of transportation means of A, B, C, D, E, "trolleybus", "cycle-car" categories, instructors of training and retraining of drivers by educational institutions;</li> <li>- Other types of commercial activity related to transportation (gas stations, including mobile, parking lots, specialized auto shops, bus stations, railway stations, airports, etc.).</li> </ul> <p>Transport Inspectorate under the Ministry of Transportation of the Republic of Tajikistan is responsible body for licensing of above-mentioned activities. See above item 1.</p>	<p>the applicant cannot implement transport activity due to objective reasons, he/she should return the license and licensing card to the licensing body. Licenses and licensing cards can be extended in accordance with the regulation approved by the Minister of transport of the Republic of Tajikistan.</p> <ul style="list-style-type: none"> <li>- Transfer of licenses and licensing cards to another legal or physical person is prohibited.</li> <li>- Notification about denial in license issuance is sent (delivered) to applicants in writing with indication of reasons for denial. Reasons for denial can be the following:</li> <li>- Inadequate or wrong information in documents submitted by an applicant;</li> <li>- Incompatibility of the license applicant with licensing requirements and conditions.</li> <li>- The applicant has a right to appeal the denial of the licensing body in license issuance in the order set up by the legislation of the Republic of Tajikistan.</li> </ul>
Freight transportation	See above.	
Air Transport Services	Licensing requirements for activity in aviation specified by Air Law of the Republic of Tajikistan and	<p>The following activity is subject to licensing:</p> <ol style="list-style-type: none"> <li>1. Activity on implementation and providing of air service, domestic and international passengers, luggage, cargo and mail on commercial basis; Activity on servicing of air traffic as well as servicing of planes, passengers, luggage, cargo and mail in airfields and airports; Aviation works for meeting needs of citizens and legal entities including aviation works implemented in the airspace of foreign states and activity on providing aviation works; Training of specialists of the required level in accordance with lists of aviation staff positions.</li> <li>2. Activity of public organizations in the area of: Training of specialists of the required level in accordance with lists of aviation staff positions for providing flights of aircrafts of general aviation designed for sport, study, advertisement and other similar purposes; Exercising control over technical condition and safety of operation of aircrafts of general aviation designed for sport, study, advertisement and other similar</li> </ol>



Types of services	Regulating agencies	Licence requirements
		<p>purposes.</p> <p>Specially authorized civil aviation body is responsible for licensing of the activity in the area of civil aviation in the order set by the Government of the Republic of Tajikistan.</p> <p>Issuance of the required licenses to citizens and legal entities specified in Article 9 of the current Code is prohibited without certificates.</p> <p>Issuance of the required license to the aviation enterprise or individual entrepreneur can be conditioned by assignment of responsibility on them on carrying out of socially important air service and/or aviation works in accordance with legislation of the Republic of Tajikistan.</p> <p>Non-commercial activity in the area of state and civil aviation including general aviation can be implemented without licenses.</p> <p>Decision on license issuance or denial in license issuance can be appealed in a court.</p> <p>Licensing of activity in aviation is not free of charge.</p> <p>Suspension of certificate and/or license validity or their annulment:</p> <p>Certificate and/or license validity can be suspended as well as restrictions can be introduced in their validity by the bodies which issued these documents in accordance with the procedure set by the general aviation rules of the Republic of Tajikistan.</p> <p>Certificate and/or license can be annulled by the bodies which issued these documents in accordance with the procedure set by the general aviation rules of the Republic of Tajikistan.</p>

## ANNEX 8

**(a) List of trade related bilateral agreements of the Republic of Tajikistan signed with non-CIS countries as of 1 October 2001**

Austria:

- Agreement on bilateral foreign economic relations (24 February 1994).

Bulgaria:

- Agreement between Governments of the Republic of Tajikistan and Bulgaria on trade-economic cooperation (29 October 1996), Sofia.

Hungary:

- Agreement between Governments of the Republic of Tajikistan and Hungary on trade-economic relations (2 September 1993), Moscow.

Viet Nam:

- Agreement between Governments of the Republic of Tajikistan and Socialist Republic of Viet Nam on trade-economic cooperation (19 January 1999), Hanoi;
- Agreement on stimulation and investment protection (19 January 1999), Hanoi.

India:

- Agreement between Governments of the Republic of Tajikistan and Republic of India on economic and technical cooperation (15 February 1993), Delhi;
- Agreement on trade-economic cooperation (3 June 1993);
- Agreement on cooperation between the State Bank of India and the Bank of foreign economic activity of RT (3 June 1993);
- Agreement on stimulation and investment protection (12 December 1995);
- Agreement on interstate Commission on trade, economic, scientific and technical cooperation (12 December 1995);
- Agreement on long-term trade-economic cooperation and cooperation in the area of industry (10 May 2001), New Delhi.

People's Republic of China:

- Agreement on stimulation and investment protection (9 March 1993), Beijing;
- Agreement on cooperation in the area of radio and TV (9 March 1993), Beijing;
- Agreement on cooperation in the area of tourism (9 March 1993), Beijing;
- Agreement on cooperation in the area of health care (9 March 1993), Beijing;
- Agreement on air service (9 March 1993), Beijing;
- Agreement on cooperation in the area of culture (27 December 1993), Dushanbe;
- Agreement on trade-economic relations (16 September 1996), Beijing;
- Agreement on cooperation in the area of environment (16 September 1996), Beijing;
- Agreement on cooperation in the area of telecommunications (16 September 1996), Beijing;
- Agreement on technical and economic cooperation (4 July 2000), Dushanbe;

- Protocol between Ministry of economy and trade of RT and Ministry of foreign trade and economic cooperation of People's Republic of China on creation of Tajik-Chinese Commission on trade-economic cooperation (10 April 2001), Dushanbe.

Korea:

- Agreement on stimulation and mutual investment protection (27 July 1994), Dushanbe.

Kuwait:

- Agreement on stimulation and mutual investment protection (18 April 1995), El-Kuwait;
- Agreement on economic, trade and scientific-technical cooperation (18 April 1995), El-Kuwait.

United Arab Emirates:

- Agreement on investment support and protection (17 December 1995), Abu-Dhabi;
- Agreement between governments of RT and UAE on avoidance of double taxation on profit (17 December 1995), Abu-Dhabi.

Islamic Republic of Pakistan:

- Agreement between governments of RT and Pakistan on trade-economic cooperation (1 June 1992);
- Agreement between governments of RT and Pakistan on scientific-technical cooperation (1 June 1992);
- Agreement between governments of RT and Pakistan on cooperation in the area of culture, sports and tourism (1 June 1992);
- Agreement between governments of RT and Pakistan on support and mutual investment protection (4 April 1994), Islamabad;

Syria:

- Trade agreement (29 March 1992), Dushanbe;
- Cultural cooperation agreement (29 March 1992), Dushanbe;

Slovakia:

- Agreement on trade and economic relations and technical-scientific cooperation (14 February 1994), Bratislava;
- Agreement on stimulation and mutual investment protection (14 February 1994), Bratislava;

United States:

- Agreement between governments of RT and USA on trade relations (1 July 1993), Dushanbe;
- Agreement between governments of RT and USA on stimulation and mutual investment protection (5 May 1995)

Turkey:

- Agreement between RT and Turkey about cultural cooperation (1 March 1992), Dushanbe;
- Agreement between RT and Turkey about trade-economic cooperation (8 April 1993), Ankara;
- Agreement between Governments of RT and Turkey about scientific and technical cooperation (10 September 1995), Dushanbe;
- Agreement between RT and Turkey on stimulation and mutual investment protection (6 May 1996), Ankara;
- Agreement between RT and Turkey on avoidance of double taxation (6 May 1996), Ankara;
- Agreement between Governments of RT and Turkey on international auto transportation (6 May 1996), Ankara;
- Agreement between Governments of RT and Turkey about long-term trade and economic cooperation and cooperation in the area of industry (additional agreement to the Agreement between Governments of RT and Turkey about trade-economic cooperation) (25 September 2000), Turkey

Czech Republic:

- Agreement between governments of RT and Czech Republic on trade and economic relations and cooperation in the scientific and technical area (11 February 1994), Prague;
- Agreement on stimulation and mutual investment protection (11 February 1994), Prague.

Switzerland:

- Agreement between governments of RT and Swiss Federal Council on technical and financial cooperation and humanitarian aid (19 October 1999), Dushanbe.

Federal Republic of Yugoslavia:

- Agreement between Governments of RT and Yugoslavia on trade and economic cooperation (27 December 1995), Belgrade;
- Agreement on creation of Intergovernmental Yugoslav-Tajik Committee on trade, economic and scientific-technical cooperation (27 December 1995), Belgrade.

Afghanistan:

- Agreement between RT and Islamic State of Afghanistan on cultural, scientific, educational cooperation (22 December 1993), Dushanbe;
- Agreement between RT and Islamic State of Afghanistan on economic and trade cooperation (22 December 1993), Dushanbe.

Islamic Republic of Iran:

- Agreement between RT and IRI on economic and scientific-technical cooperation (30 June 1992);
- Agreement on stimulation and mutual investment protection between governments of RT and IRI (18 July 1995);
- Trade agreement between governments of RT and IRI (18 July 1995).

Draft Agreements approved by the Decrees of the Government of the Republic of Tajikistan and not signed yet.

International Agreement	No. of Decree of the Government of Tajikistan
Draft Agreement between governments of RT and Republic of Korea on trade-economic cooperation	No. 382 of 23 September 1995
Draft Agreement between governments of RT and Romania on trade-economic relations	No. 618 of 11 October 1995
Draft General Agreement between RT and Saudi Arabia on cooperation in the area of economy, trade, investment, technology, culture, sports and youth problems	No. 86 of 6 March 1998
Draft Agreement between governments of RT and Indonesia on economic and technical cooperation	No. 276 of 30 July 1998
Draft Agreement between governments of RT and Indonesia on stimulation and mutual investment protection	No. 276 of 30 July 1998
Draft Agreement between governments of RT and Poland on economic cooperation and trade	No. 542 of 30 December 1998

List of countries that have Draft Agreements on trade-economic cooperation and stimulation and mutual investment protection under consideration:

- Austria
- United Kingdom
- Germany
- Columbia
- Mauritius
- Malaysia
- Netherlands
- Norway
- Romania
- Tunisia
- France
- Switzerland

**(b) List of the Joint Commissions on trade-economic cooperation**

Commission	Basic Document
Joint Tajik-Chinese Commission on trade-economic cooperation	Chairman of the Commission from Tajik side – Deputy Minister of Economy and Trade of the Republic of Tajikistan. Approved by the Decree No. 336 of the Government of Tajikistan of 2 September 1998
Interstate Tajik-Indian Commission on Trade, Economic, Scientific-Technical Cooperation	Chairman of the Commission from Tajik side – Minister of Economy and Trade of the Republic of Tajikistan. Approved by the Decree No. 349 of the Government of Tajikistan of 21 August 2000
Joint Tajik-Turkish Commission on Trade-Economic Cooperation	Chairman of the Commission from Tajik side – Minister of Economy and Trade of the Republic of Tajikistan. Approved by the Decree No. 38 of the Government of Tajikistan of 21 August 2000.
Joint Tajik-Iranian Commission on Trade-Economic Cooperation	Chairman of the Commission from Tajik side – Minister of Economy and Trade of the Republic of Tajikistan. Approved by the Decree No. 117 of the Government of Tajikistan of 30 March 1996.

**(c) List of the Agreements providing the MFN treatment to non-CIS countries**

<p>Each Party shall accord unconditionally to products originating in or exported to the territory of the other Party treatment no less favorable than that accorded to like products originating in or exported to the territory of any third country in all matters relating to:</p> <ul style="list-style-type: none"> <li>- custom duties and charges of any kind imposed on or in connection with importation or exportation, including the method of levying such duties and charges;</li> <li>- method of payment for imports and exports, and the international transfer of such payments;</li> <li>- rules and formalities in connection with importation and exportation, including those relating to customs clearance, transit, warehouses and transshipment;</li> <li>- taxes and other internal charges of any kind applied directly or indirectly to imported products; and</li> <li>- rules concerning sale, purchase, transport, distribution, storage and use of products on the domestic market.</li> </ul>	<p>Agreement on Trade relations between the Republic of Tajikistan and the United States of America, July 1993</p>
<p>The Republic of Tajikistan and Republic of Austria shall accord each other MFN regime regarding collection of customs and other duties and also at withdrawal of customs and other duties at export and import of goods.</p>	<p>Agreement on bilateral foreign economic relations between the Government of the Republic of Tajikistan and the Government of Austria of 24 February 1994</p>

<p>The Parties shall accord each other MFN treatment in respect of all issues relating to:</p> <ul style="list-style-type: none"> <li>- custom duties and charges of any kind imposed on or in connection with importation or exportation, including the method of levying such duties and charges;</li> <li>- rules and formalities in connection with importation and exportation, including those relating to customs clearance, transit, warehouses and transshipment;</li> <li>- indirect taxes and other internal charges of any kind applied to imported goods;</li> <li>- method of payment for imports and exports, and international transfer of such payments;</li> <li>- rules connecting sale, purchase, transport, distribution, storage and use of products on the domestic market.</li> </ul>	<p>Agreement on trade-economic cooperation between the Government of the Republic of Tajikistan and the Government of the Bulgaria of 29 October 1996</p>
<p>The Contracting Parties mutually will accord MFN treatment, as granted to any third country, with the aim of facilitation of trade between the both parties</p>	<p>Agreement on trade-economic relations between the Government of the Republic of Tajikistan and the Government of the Hungary of 2 September 1993</p>

<p>The contracting Parties shall accord MFN treatment in respect of trade in goods, originated from their respective countries, and other form of economic cooperation.</p> <p>MFN treatment shall not be extend to the privileges and benefits which:</p> <ul style="list-style-type: none"> <li>- one of the Contracting Parties grants or will grant in the future to neighbouring countries with the aim of simplification of border trade, or regional trade with other countries;</li> <li>- result from participation of the Contracting Parties in customs union or free trade area agreements.</li> </ul>	<p>Agreement on trade-economic cooperation between the Government of the Republic of Tajikistan and the Government of Socialistic Republic of Vietnam of 19 January 1999</p>
<p>The Contracting Party will accord MFN treatment in respect of all trade and commercial issues</p>	<p>Agreement on trade-economic cooperation between the Government of the Republic of Tajikistan and the Government of India of 3 June 1993</p>
<p>The Republic of Tajikistan and People's Republic of China shall accord each other MFN regime regarding collection of customs and other duties and also at withdrawal of customs and other duties at export and import of goods.</p>	<p>Agreement on trade-economic relations between the Government of the Republic of Tajikistan and the Government of Peoples Republic of China of 16 September 1996</p>
<p>Contracting Parties shall accord each other MFN regime in foreign trade.</p>	<p>Agreement between governments of RT and Pakistan on trade-economic cooperation between the Government of the Republic of Tajikistan and the Government of Pakistan of 1 June 1992</p>



<p>The Contracting Parties shall accord MFN treatment in respect of trade in goods, originating from their respective countries, and other forms of economic cooperation.</p> <p>MFN treatment shall not be extended to the privileges and benefits which:</p> <ul style="list-style-type: none"> <li>- one of the Contracting Parties grants or will grant in the future to neighbouring countries with the aim of simplification of border trade, or regional trade with other countries;</li> <li>- result from participation of the Contracting Parties in customs union or free trade area agreements.</li> </ul>	<p>Agreement on trade and economic relations and technical-scientific cooperation between the Government of the Republic of Tajikistan and the Government of Slovakia of 14 February 1994</p>
<p>The Contracting Parties shall accord each other MFN treatment in respect of all issues relating to custom duties and charges of any kind imposed on or in connection with importation or exportation of goods.</p> <p>Provisions of Article 2 of the current Agreement do not cover benefits and privileges:</p> <ul style="list-style-type: none"> <li>- of the neighbouring countries in order to facilitate border trade;</li> <li>- of the current Agreements or Agreements which will be signed in the future about Customs Unions and free-trade zones;</li> <li>- determined for developing countries through special measures in the area of foreign economic relations.</li> </ul>	<p>Agreement on trade-economic cooperation between the Government of the Republic of Tajikistan and the Government of the Republic of Turkey of 8 April 1993</p>

<p>The contracting Parties shall accord MFN treatment in respect of trade in goods, originating from their respective countries, and other forms of economic cooperation.</p> <p>MFN treatment shall not be extended to the privileges and benefits which:</p> <ul style="list-style-type: none"> <li>- one of the Contracting Party grants or will grant in the future to neighbouring countries with the aim of simplification of border trade, or regional trade with other countries;</li> <li>- result from participation of the Contracting Parties in customs union or free trade area agreements.</li> </ul>	<p>Agreement on trade and economic relations and cooperation in the scientific and technical area between the Government of the Republic of Tajikistan and the Government of Czech Republic of 11 February 1994</p>
<p>In order to provide mutually beneficial conditions for development of trade-economic cooperation, Contracting Parties accord each other MFN regime.</p> <p>Provisions of Article 2 of the current Agreement do not cover benefits:</p> <ul style="list-style-type: none"> <li>- accorded or which can be provided in the future by one of the Contracting Parties to other countries in order to facilitate border and riverside trade;</li> <li>- implying from participation of any of Contracting parties at the moment or in the future in Customs Unions, free-trade zones, regional economic organizations and other regional agreements.</li> </ul>	<p>Agreement on trade and economic relations and cooperation in the scientific and technical area between the Government of the Republic of Tajikistan and the Government of Romania of 20 July 1992</p>

<p>In accordance with GATT regulations, Contracting Parties accord each other MFN regime in trade-economic cooperation.</p> <p>Provisions of the current Article will not cover benefits, privileges and preferences which each of the Contracting Parties accorded or can provide to:</p> <ul style="list-style-type: none"> <li>- neighbouring countries in order to develop border trade;</li> <li>- countries which have agreements on Customs Union or free-trade zone with the Republic of Tajikistan or the Federal Republic of Yugoslavia;</li> <li>- developing countries based on international agreements.</li> </ul>	<p>Agreement on trade and economic cooperation between the Government of the Republic of Tajikistan and the Government of the Republic of Yugoslavia of 27 December 1995</p>
<p>Contracting Parties shall accord each other MFN regime regarding trade in goods originating in the territory of their respective states and other forms of economic cooperation.</p> <p>MFN regime does not cover privileges and benefits which:</p> <ul style="list-style-type: none"> <li>- one of Contracting Parties accorded or will provide in the future to neighbouring states in order to facilitate border trade or interregional trade with other states.</li> <li>- are implied from participation of Contracting Parties in Customs Unions and free-trade zones.</li> </ul>	<p>Agreement between Governments of the Republic of Tajikistan and Arab State of Kuwait on trade-economic relations and cooperation in the area of science and technologies. 18 April 1995, Kuwait</p>

<p>Investors of either Contracting Party whose Admitted Investments suffer losses due to a war or any other armed conflict, revolution, state of emergency or rebellion or other similar events in the territory of the other Contracting Party treatment shall be accorded by the other Contracting Party treatment no less favorable than that accorded to its own investors or to investors of any other third country, whichever is the most favorable treatment, as regards compensation, restitution and indemnification in relation to such losses.</p>	<p>Agreement on reciprocal promotion and protection of investments between the Government of the Republic of Tajikistan and the Government of the Islamic Republic of Iran. April 1995, Tehran</p>
<p>Parties agreed to accord each other MFN regime in all issues mentioned in the current Agreement.</p>	<p>Agreement between Islamic State of Afghanistan and the Government of RT on natural gas supply and organization of border trade. 21 December 1993, Dushanbe</p>
<p>Contracting Parties shall accord each other MFN regime regarding customs duties on imported and exported goods of countries, other taxes, and rules of customs regulation and also realization of customs procedures.</p> <p>This provision does not cover:</p> <ul style="list-style-type: none"> <li>- Privileges accorded or will be provided by one of the Contracting parties to neighbouring countries in order to facilitate border trade or interregional trade with other states.</li> <li>- Privileges which will be accorded by the Contracting Parties in the framework of Customs Unions or free-trade zones.</li> <li>- Privileges accorded or will be accorded to RT by one or several CIS countries.</li> </ul>	<p>Trade Agreement between the Governments of RT and Syrian Arab Republic. 29 February 1992, Dushanbe</p>

**(d) List of the Agreements on Economic Integration**

Treaty between the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic and the Russian Federation on deepening economic and humanitarian integration of 29 March 1996	Enters into force on the date of submission to the Ministry of Foreign Affairs of the Russian Federation of the notification about fulfilment of interstate procedures. Registered in the UN Secretariat on 1 May 1998.
Protocol on coordination measures between national currency-financial systems in order to create favorable conditions for development of trade between member states of the Treaty on deepening of economic and humanitarian integration of 29 March 1996, signed on 26 February 1999	Entered into force on the date of signing – 26 February 1999.
Agreement on creation favorable conditions for the small business entrepreneurship in member countries of the Treaty on deepening economic and humanitarian integration of 29 March 1996 signed on 24 November 1998	Entered into force on 6 October 1999
Protocol on exchange of operative information on issues of the tax legislation observance between the tax authorities of the member states of the Treaty on deepening economic and humanitarian integration of 29 March 1996, signed on 16 June 1998	Entered into force on the date of signing, June 16, 1998
Protocol on cooperation in the field of specialists training between the tax services of the member states of the Treaty on deepening economic and humanitarian integration of 29 March 1996, signed on 16 June 1998	Entered into force on the date of signing, 16 June 1998
Agreement on cooperation of the energy systems of member states of the Treaty on deepening economic and humanitarian integration of 29 March 1996, signed on 24 November 1998	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary. Entered into force on 6 November 1999
Agreement on main principles of border cooperation between the member states of the Treaty on deepening economic and humanitarian integration of 29 March 1996, signed on 26 February 1999	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary
Protocol on simplification of the money transfer procedure by physical persons of the member states of the Treaty on deepening economic and humanitarian integration of 29 March 1996, signed on 24 November 1998	Entered into force on the date of signing, 24 November 1998

**(e) List of Custom Union Agreements**

Protocol on international trade negotiations of member states of the Agreement on Customs Union during the accession to WTO	Entered into force on the date of signing, 3 June 1997
Agreement on common measures of non-tariff regulation during the formation of the Customs Union of 22 October 1997	Entered into force on 15 July 1999
Agreement between the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic and the Russian Federation on formation of the Transport Union of 22 January 1998	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary.
Agreement on single transit conditions through the territory of the Customs Union member states of 22 January 1998	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary. Entered into force on 4 January 1999
Protocol on simplified order of customs declaration of goods, non intended for production or other commercial purposes, and on currency transfers by physical persons through the customs borders of the Customs Union member states of 22 January 1998	Enters into force within 30 days after the date of signing. Entered into force on 21 February 1998
Agreement between the State Tax Committee of the Republic of Belarus, the Tax Committee under the Ministry of Finance of the Republic of Kazakhstan, State Tax Inspection under the Ministry of Finance of the Kyrgyz Republic and the State Tax Service of the Russian Federation on cooperation and reciprocal assistance on tax legislation observance of 25 March 1998	Entered into force on the date of signing, 25 March 1998
Agreement between the Stat Tax Committee of the Republic of Belarus, the Tax Committee under the Ministry of Finance of the Republic of Kazakhstan, the State Tax Inspection under the Ministry of Finance of the Kyrgyz Republic and of the State Tax Service of the Russian Federation on unification taxation methodology of 5 March 1998	Entered into force on the date of signing, 25 March 1998
Agreement between the State Tax Committee of the Republic of Belarus, the Tax Committee under the Ministry of Finance of the Republic of Kazakhstan, the State Tax Inspection under the Ministry of Finance of the Kyrgyz Republic and the State Tax Service of the Russian Federation on mutual cooperation of 30 September 1998	Entered into force on the date of signing, 30 September 1998
Agreement between the Members of the Agreement on establishment of the Transport Union on international road traffic of 24 November 1998	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary.
Protocol on customs convoy between the customs authorities of the Customs Union member states of 8 December 1998	Entered into force on the date of signing, 8 December 1998
Protocol on customs declaration of goods transported under customs control between the customs authorities of the Customs Union member states of 8 December 1998	Entered into force after six months from the date of signing, on 8 December 1998
Protocol on cooperation between the custom services of the Customs Union member states in the field of security of 8 December 1998	Entered into force on the date of signing, 8 December 1998
Protocol on common rules of application of technical, medical, pharmaceutical, sanitary, veterinary, phytosanitary and ecological standards, norms, rules and requirements in respect of goods imported into the Customs Union member states of 28 January 1999	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary, on 11 February 2000.
Treaty on joining of the Republic of Tajikistan to the Customs Union Agreements of 6 and 20 January 1995, signed on 26 February 1999	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary.

Treaty on the Customs Union and Common Economic Area of 26 February 1999	Enters into force on the date of receipt of instrument of ratification from the third member state by the Depositary. Entered into force on 23 December 1999.
Agreement on simplified order of custom declaration of the goods moving between the Custom Union members of 24 September 1999	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary.
Protocol on joint actions by the Customs Union Agreements member states on activation of trade-economic cooperation and overcoming the consequences of the financial-economic crisis, of 24 September 1999	Entered into force on the date of signing, 24 September 1999.
Agreement on providing the legal base for forming of the Customs Union and Common Economic Area of 26 October 1999	Enters into force on the day of submission of the last instrument of ratification to the Depositary and ratification of the Agreement on the Customs Union and Common Economic Area by the Parties of 26 February 1999.
Protocol on amendments to the Agreement on common transit conditions through territories of the Customs Union member states of 22 January 1998, signed on 26 October 1999	Enters into force on the date of signing, and for states which have to implement interstate procedures – since the submission of the related notification to the Depositary.
Protocol on the application mechanism of special safeguard, antidumping and countervailing measures in trade by the Customs Union member states of 17 February 2000	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary. Entered into force on 12 December 2000.
Agreement on a common Customs tariff of the Customs Union member states of 17 February 2000	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary. Entered into force on 31 August 2000.
Protocol on customs control over goods and transportation means moving between the custom authorities of the Customs Union member states of 17 February 2000	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary. Entered into force on 27 November 2000.
Protocol on norms and rules for free removal of cash foreign currency to third countries by physical persons of the Customs Union member states of 23 May 2000	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary
Agreement on measures on regulation of the market access of the Customs Union member states for goods and services originating from third countries	Enters into force on the date of submission of the last notification about fulfilment by Parties of interstate procedures to the Depositary
Agreement on creation and functioning of branches of the higher education institutions in the member states of the Agreement on the Customs Union and the Common Economic Area of 26 February 1999, signed on 23 May 2000	Enters into force on the date of receipt by the Depositary of the third notification about fulfilment of interstate procedures by Parties. Entered into force on 26 October 2000
Treaty on establishment of the Euro Asian Economic Community of 10 October 2000	Enters into force on the date of submission of the last instrument of ratification to the Depositary

Agreement between the Government of the Republic of Belarus, the Government of the Republic of Kazakhstan, the Government of the Kyrgyz Republic, the Government of the Russian Federation and the Government of the Republic of Tajikistan on reciprocal visa-free travel of citizens of 30 November 2000.	Temporarily applied since the date of signing and enters into force on the date of receipt by the Depository of the last notification about fulfilment of interstate procedures by Parties.
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## **ANNEX 9**

### Excise Rates

Article 216 of the Tax Code of the Republic of Tajikistan identifies the list of goods in accordance with Merchandise nomenclature for CIS FEA, on which the excise taxes should be levied. The Government of the Republic of Tajikistan sets up the excise rate for each of the commodity group.

At present, due to necessity, the Government of the Republic of Tajikistan adopted the Decree No. 533 of 1 December 2001 "On setting up excise rates on selected goods originated in the Republic of Tajikistan and imported into the territory of Tajikistan". By the Government Decree No. 255 of 1 July 2002 amendments were made to the Decree No. 533 of 1 December 2001.

Excise Rates On Some Goods Produced in the  
Republic of Tajikistan and imported to the Republic of Tajikistan

Merchandise Codes in accordance with Merchandise Nomenclature for CIS Foreign Economic Activities	Merchandise	Import excise rate in % of value or in US\$ per Product Unit	Domestic excise rate in % of value or in US\$ per Product Unit
220300	Malt beer	US\$0.60 per litre	US\$0.06 per litre
2204	Grape wines, natural wines, including fortified; stum, except for mentioned in merchandise position 2009;	US\$0.70 per litre	US\$0.07 per litre
220410110 220410190	Champagne	US\$4.00 per litre	US\$0.40 per litre
220410910 220410990	Other champagne	US\$1.80 per litre	US\$0.18 per litre
2205	Vermouths and natural grapes wines, other wines with addition of vegetable and aromatic extracts;	US\$0.70 per litre	US\$0.07 per litre
2207	Ethyl non-denatured alcohol with alcohol concentration of no less than 80%; ethyl alcohol and other denatured alcohols of any concentration; Ethyl alcohol used by the enterprises, having a special quotas, for the alcohol products production purposes	US\$2.75 per litre	US\$2.0 per litre
2208	Ethyl non-denatured alcohol with alcohol concentration of no less than 80%; alcohol liqueurs, liqueurs, and other alcoholic drinks; Ethyl alcohol used by the enterprises, having a special quotas, for the alcohol products production purposes	US\$5.50 per litre	US\$1.50 per litre
220820120	Cognac	US\$12.00 per litre	US\$1.20 per litre
220860	Vodka	US\$3.00 per litre	US\$0.56 per litre
220890	Tajik vodka "Arak"	US\$3.00 per litre	US\$0.56 per litre

Merchandise Codes in accordance with Merchandise Nomenclature for CIS Foreign Economic Activities	Merchandise	Excise rate in % of value or in US\$ per Product Unit
2401	Tobacco raw materials and tobacco waste;	US\$0.06 per kg
From 2401	Tobacco raw materials and fermented tobacco waste;	US\$0.09 per kg
2402	Cigars, cigars with cut ends, cigarillos (thin cigars), and cigarettes from tobacco or its substitutes;	US\$0.50. per 1,000 pieces
From 240220	Filter-tipped cigarettes containing tobacco;	US\$0.66 per 1,000 pieces
From 240220	Cigarettes without filter containing tobacco;	US\$0.10 per 1,000 pieces
2403	Other industrially produced tobacco, "homogenized" or "restored"; tobacco extracts and essence;	US\$0.06 per kg
270900	Raw oil and raw oil products generated from bituminous minerals;	0
2710	Oil and raw oil materials generated from bituminous minerals, excluding raw materials; products not named anywhere containing 70% or oil products generated from bituminous minerals, which are the main compounds;	US\$40 per ton
271000260 271000270 271000290 271000320 271000340 271000360 271000370 271000390	Motor gasoline	US\$0.05 per ton
271000510 271000550	Medium distillates (kerosene)	US\$20 per ton
271000610 271000650 271000690	Gas-oil (diesel fuel)	US\$6.6 per ton
4011	Tires, pneumatic rubber, new: including:	10%
401130	For use in aviation	0
401140	For motorcycles	0
401150	For bicycles	0
401191	With protector with herring-bone pattern or analogous protectors;	0
401199	Other:	0
4012	Tires, pneumatic rubber new, restored or used; tires, solid or semi-pneumatic; interchangeable tire protectors and rubber rim strips;	10%
From 4012	Pneumatic rubber tires restored on the territory of the Republic of Tajikistan	5%
401210100	For civil aviation	0
401220100	For civil aviation	0
8703	Cars and other motor transport vehicles to carry passengers (except for vehicles mentioned in merchandise position 8702), including cargo-passenger vans and racing cars.	10 %

- Note
1. The merchandise classification is presented in accordance with the Merchandise Nomenclature for CIS Foreign Economic Activities (MNCIS FEA), 2<sup>nd</sup> edition.
  2. An excise amount calculated in US\$ is paid in national currency at the rate of the National Bank on the day, when customs authorities receive a cargo customs declaration.

3. Merchandise position 2401 includes tobacco raw materials as whole plants or leaves in the natural, dried or fermented state, full or cut (including pieces of a certain form but not tobacco ready for smoking) (Explanation for the MNCIS FEA, volume 1, page 216).
  4. Merchandise position 2709 includes crude oil, as well as generated from bituminous minerals (for instance, from slates, calcareous rocks, and sandstones). In fact, they are natural products which, regardless of the composition, have been generated from usual or condensate oil deposits, or by destructive rectification of bituminous minerals. Oils generated in such a way are included in this merchandise position even if they have been processed in any way (Explanation for the MNCIS FEA, volume 1, page 260).
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