

# THE EBRD IN TAJIKISTAN



European Bank  
for Reconstruction and Development

## Results snapshot

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### Overview

The EBRD has been active in Tajikistan since 1993. Over this period the Bank has focused its activities on energy, infrastructure, the financial sector and small and medium-sized enterprises (SMEs). Total EBRD investments have amounted to over €900 million, of which more than one-half has been invested between 2015 and 2022, reflecting growing opportunities to intensify the EBRD's engagement in the country.

The Bank's current strategic focus in Tajikistan is on:

- ▶ growth of SMEs
- ▶ efficiency of public utility services
- ▶ connectivity of regional networks and infrastructure
- ▶ green economy transition.

The EBRD is also increasingly focusing on economic inclusion, including wider access to better infrastructure, finance and skills. In response to the Covid-19 crisis, the Bank increased support for sectors and groups hit the hardest, as well as firms and financial sector resilience, expanded trade and the continuation of vital infrastructure and energy services

### EBRD results highlights for Tajikistan, 2015-2022

**SME growth:** 76% of 479 SMEs supported by EBRD improved their turnover and 52 % of them hired more people, creating 2,437 new jobs.

**Access to electricity:** Our investment in the rehabilitation of the 60-year old Qairokkum hydropower plant is estimated to provide better access to electricity for around 500,000 people.

**Sustainable public services:** We helped improve operational efficiency of municipal public service providers in 23 Tajik cities.

### EBRD in Tajikistan\*

Total	2015-2022
€ 908 million	€509 million
Net cumulative investment	
157	73
Number of projects	
13.0%	
Private-sector share in portfolio	
€350 million	€289 million
Green economy financing commitments	
€155 million	€62 million
Mobilised Investment	
*as of December 2022	

### Our policy engagement

- ▶ Better business environment
- ▶ Improved road safety and maintenance
- ▶ Reform of the energy sector
- ▶ Improved municipal services
- ▶ Economic inclusion and gender equality
- ▶ Stronger banking sector

[Read the latest country strategy for Tajikistan](#)



## Tajikistan in context

Tajikistan has experienced high economic growth since the end of the civil war in 1997, with recent real GDP growth reaching 7 per cent annually before the Covid-19 crisis. This growth was driven by investment and expenditure in services and the energy sector, growing remittances, and improved bilateral ties with Uzbekistan. However, the Covid-19 crisis hit the Tajik economy hard.

Despite much reduced gold exports, Tajikistan has continued during 2022 on a path of robust post-Covid recovery, with real GDP rising by 7.4 per cent year-on-year in the first half of the year. Domestic demand received strong support from a boost in labour remittances, which, contrary to early expectations, have increased on the Rouble's strength and Russia's record high demand for migrant workers.

Significant reforms are needed to build a strong economy. The country is less competitive due to low productivity, while its weaker institutions, vulnerability to shocks and low integration in international trade remain significant challenges. Tajikistan is very vulnerable to climate change, and regional disparities remain large.



### Key economic indicators

	Tajikistan (2015)	Tajikistan (2022*)	OECD (2022*)
GDP per capita, PPP (current international US\$)	2,958	5,292	44,822
Labour force participation, female (% of female population aged 16-54)	32.8	30.7	64.8
Unemployment, total (% of total labour force)	11.5	7.5	7.4
Unemployment, youth total (% of labour force aged 15-24)	21.2	12.9	12.5
Ease of Doing Business index	51.8	61.3	77.7

## Our approach and operational delivery

The EBRD supports the development of the private sector through a combination of investment, policy dialogue and technical assistance. We offer a range of financial instruments, both directly and through partner financial institutions. In addition, we provide business advisory services and technical assistance to help improve the institutional capacity of our clients. In our policy engagement work, we address a range of factors to help shape initiatives that create favourable conditions for sustainable and inclusive economic growth.

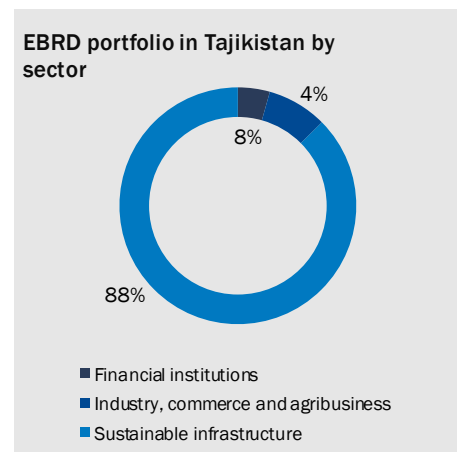
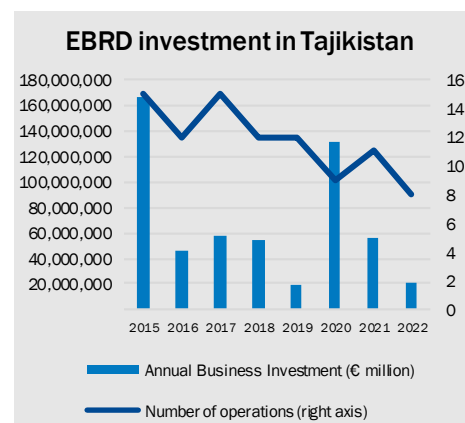
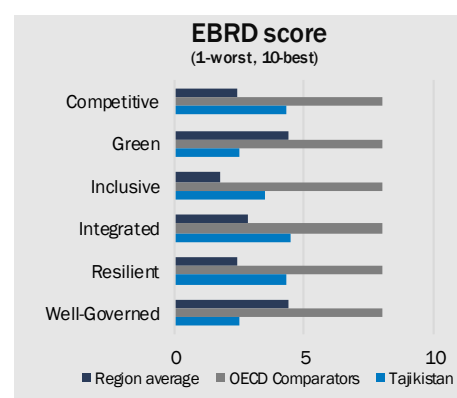
From 2015 to 2022, the EBRD invested more than €500 million in Tajikistan – mostly in sustainable infrastructure. While transition needs remain high, the greatest opportunities to leverage reform in the short to medium term have continued to be in the public sector, particularly in infrastructure. We take a unique approach to municipal and environmental infrastructure, working directly with municipalities through investment and policy dialogue. Fragility in the financial sector and concerns over sovereign debt capacity have presented challenges to sustaining high levels of investment, especially in financial institutions.

The Bank also mobilises high levels of donor finance. More than 50 per cent of our projects have been co-funded by donors. The EBRD, as Vice-Chair of the Development Coordination Council in Tajikistan, facilitates alignment with other international financial institutions (IFIs) and donor support in the country.

We seek to help countries transition towards democratic and sustainable market economies. We finance projects that strengthen the private sector in economies undergoing transition to a well-functioning market system. Our investment decisions are guided by six "transition qualities", which focus on making economies competitive, well-governed, green, inclusive, resilient and integrated.



For more detail on our transition qualities visit [www.ebrd.com/qualities](http://www.ebrd.com/qualities)



1 [www.ebrd.com/economic-research-and-data/transition-qualities-asses.html](http://www.ebrd.com/economic-research-and-data/transition-qualities-asses.html).

2 Canada, the United States of America, the United Kingdom, Sweden, France, Germany, Japan and the Czech Republic.

# The EBRD in TAJIKISTAN

## Growth of small and medium-sized enterprises

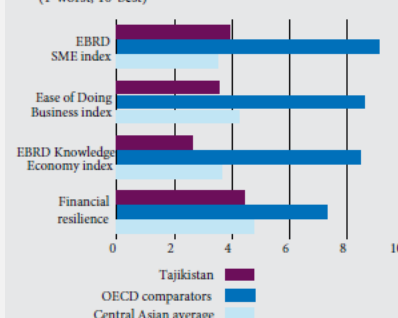
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### SDG contribution



Tajikistan's business environment is improving. One notable area of improvement over the years has been access to credit, an area the EBRD also supports. Nevertheless, the country's competitiveness is limited by constrained access to foreign currency liquidity and the challenges that SMEs face in finding personnel with adequate skills. SMEs play a key role in the Tajik economy but are hindered by regulatory shortcomings, which lead to high levels of informality. There is also a significant gender gap, as women are 38 per cent less likely to participate in the labour force than men. Although the banking sector has been recapitalised, central bank should continue exercising strong oversight of the banking sector to ensure confidence in the banking system. Banking penetration would increase in line with improvements of the overall business climate.

### EBRD score (1-worst, 10-best)



### How we work

The EBRD provides support for businesses through targeted instruments, such as: our award-winning Women in Business (WiB) programme, which provides first-loss risk cover, advice to financial institutions as well as advisory, skills building and mentoring support to women entrepreneurs; the Small Business Initiative; the SME Local Currency Programme; the Enhanced Competitiveness of Tajik Agribusiness Programme; or the Advice for Small Businesses programme. We support the Tajik Investment Council, which is the government body facilitating public-private dialogue and includes the participation of high-level government officials, business associations and multilateral agencies. The EBRD supports the Council of Tourism of Tajikistan in the development of its new organisational strategy, establishing a destination management organisation (DMO) aimed at attracting tourism and supporting businesses in the sector.

### EBRD in Tajikistan \*

Total	2015-2022
<b>€146 million</b>	<b>€54 million</b>
Net cumulative direct investment in SMEs	
<b>€155 million</b>	<b>€62 million</b>
Financing provided in local currency	

\*as of December 2022

### Quick links

- > [EBRD Advice to Small Business \(ASB\) programme](#)
- > [Blue Ribbon programme](#)
- > [Trade Facilitation Programme \(TFP\)](#)
- > [EBRD Star Venture programme](#)



### Women in Business

The EBRD's Women in Business (WiB) programme provides finance, business advice, training and mentoring to female-led SMEs.



## EBRD Achievements and Results in Tajikistan: Growth of small and medium-sized enterprises

### We help improve SME skills, standards and access to finance by:

- ▶ providing business advice and skills training to 479 SMEs that have benefited from the Bank's advisory projects
- ▶ providing financing via local partner banks under our WiB programme to support women-led entrepreneurs and address the gender gap
- ▶ opening opportunities for local firms, for example through investing in the first hypermarket (Auchan) in Tajikistan.

### We help to improve the business environment by:

- ▶ supporting the Investment Council (for example through reduced inspections/improved taxation)
- ▶ facilitating coordination with other IFIs and donor support in the country as the Vice-Chair of Tajikistan's Development Coordination Council
- ▶ contributing to legislative changes to promote women's entrepreneurship through tax incentives for those on maternity leave or a streamlined business registration process for those based at home
- ▶ introducing a gender-responsive regulatory impact assessment for 24 members of the task force on women's entrepreneurship
- ▶ facilitating better commercial dispute resolution by creating a mediation centre at the Chamber of Commerce and Industry and by training mediators.

### We help strengthen the resilience of the banking sector by:

- ▶ supporting local banks' capacity to lend by providing a range of financial products related to trade, women-led entrepreneurs, local currency or microfinance
- ▶ helping to improve corporate governance of financial institutions, in partnership with the National Bank of Tajikistan
- ▶ providing independent assessment of two historically systemic banks (TSB and AIB) to help overcome weaknesses in the banking sector.

## SME growth

52% of SMEs advised by the EBRD hired more people and 76% of them increased turnover. In total, 2,437 new jobs and €167 million of additional turnover were created.\*



From the hospitality sector to construction, we've helped 1000+ small and medium-sized enterprises (SMEs) in Tajikistan to grow and become more digital, competitive and green.

## More exports

12% of SMEs advised by the EBRD grew their exports. In total, the Bank's advisory projects contributed to €11 million of new exports.\*

## Higher productivity

Sixty per cent of SMEs advised by the EBRD became more productive.\*

## Women entrepreneurship

A total of 340 women-led SMEs received loans through our WiB programme.

## Better business environment

The number of days it takes to start a business in Tajikistan has been reduced by 14 days, supported by EBRD policy dialogue efforts.

## Better skills

Fifty policymakers received training on gender-responsive policy formulation. Fourteen commercial mediators trained on SME contractual disputes.

## Local currency financing

The EBRD supported local businesses by reducing their currency mismatch through increased lending in local currency, which is typically not readily available.

## Better skills

The EBRD trained local banks to provide new financial products, including those for women.



[Read](#) how the EBRD supported the first hypermarket in Tajikistan.



[Read](#) how the EBRD supports the work of Investment Councils (ICs) in a number of countries, including Tajikistan. ICs have become respected platforms for public-private dialogue, where businesses and policymakers come together to tackle issues such as climate-related investment challenges.



Thousands of small and microbusinesses across Tajikistan are able to continue their activity and take on board green technologies thanks to a financial package of up to US\$ 6 million [mobilised by the EBRD](#) for the country's leading microlending institution, Imon International (Imon).



More than 60 per cent of the nearly 900,000 residents of Dushanbe, Tajikistan's capital and the country's largest municipality will now be able to enjoy environmentally friendlier and safer taxi rides thanks to the introduction of electric taxis, [a project supported by the EBRD](#).

# The EBRD in TAJIKISTAN



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## Better public services

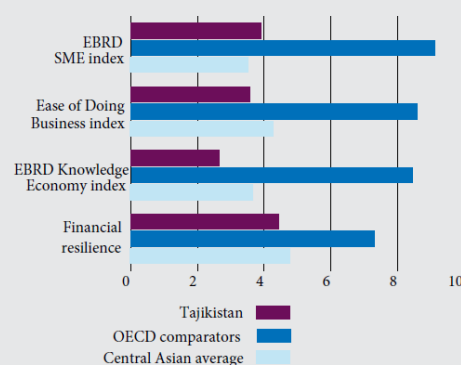
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### SDG contribution



Despite reform efforts in recent years, Tajikistan's utilities remain inefficient due to underinvestment, high losses and weak governance. Tajikistan is the eighth-richest country in the world in terms of hydropower resources, possessing 4 per cent of the world's hydropower resources (more than 60 per cent of Central Asia's resources). However, this high share of hydropower (95 per cent of total electricity production) makes the country vulnerable to climate change. Despite Tajikistan's vast supply of water, household access to clean water and sanitation is limited, especially in rural areas where only 36 per cent of households have access to safe drinking water. Sector continues to be in need of investments to overcome interrupted access and electrical outages (reported by around 60 per cent of firms). The Rogun dam, the largest hydropower plant in Central Asia, began operations in 2018 and is expected to strengthen energy security in the country.

### EBRD score (1-worst, 10-best)



### How we work

The EBRD has experience in improving the efficiency and service delivery of public infrastructure, turning state sector utilities into commercially minded and financially viable enterprises. Our policy dialogue with client enterprises – be they owned by the state or municipality – aims at full cost recovery and is often supported by a combination of technical cooperation for the review of the tariff setting mechanism and optimal tariff formulation. We support municipal service providers through capacity-development programmes to improve their financial and operational performance, as well as the capacity of public utility services.

### EBRD in Tajikistan \*

Total	2015-2022
€242 million	€186 million
Net cumulative investment in the energy sector	
€563 million	€404 million
Net cumulative investment in sustainable infrastructure	

\*December 2022

### Quick links

► [Trade Facilitation Programme \(TFP\)](#)



The EBRD's [Infrastructure Project Preparation Facility](#) (IPPF) focuses on project preparation, policy dialogue and institutional strengthening to address both public-sector infrastructure projects and public-private partnerships.



# EBRD achievements and results in Tajikistan: Better public services

**We help reform the water sector, municipal public and district heating (DH) services by:**

- ▶ using donor support to improve access to, and sustainability of, water services by way of financial and operational assistance, as well as providing reform advice for the state-owned water provider
- ▶ improving solid waste systems through investment and advisory services to strengthen corporate governance (for example in Dushanbe, Nurek, Yavan, Khujand, Khorog or Kulob)
- ▶ providing investment and advisory support to improve public transport services (for example in the Sughd and Khatlon regions).
- ▶ improving district heating system in Dushanbe city by annual reduction of 39,000 tonnes CO<sub>2</sub> equivalent emissions and 100,000 cubic meter of water savings, as well as contribution to cleaner air and better quality of life through investment and advisory services

**We help develop the energy sector by:**

- ▶ improving the commercial viability of the national electricity company, Barqi Tojik (responsible for power generation) and Shabakahoi Taqsimoti Barq OJSC (national electricity distribution company).
- ▶ promoting tariff reform and power sector unbundling, leading to the adoption of a new electricity tariff methodology.

## Improved public utilities

The EBRD has worked with 23 Tajik cities to improve the financial viability and sustainability of public utility services.

## Improved water quality

More than 320,000 people are estimated to have better access to water, thanks to the EBRD's water and wastewater projects across the country.

## Access to infrastructure

More than 220,000 passengers in Khujand and Bokhtar have improved access to urban transport, thanks to EBRD investments.

## Improved district heating

By rehabilitating and expanding the City's DH system, more than 62,000 new customers will have access to better heating system with expected reduction of 39,000 tonnes of CO<sub>2</sub> equivalent emissions, thanks to the EBRD investments.

## Access to electricity

Around 500,000 people receive a reliable electricity supply through our investment in the Qairokkum hydropower plant (QHPP) project and modernised electricity distribution network in Khujand, resulting in reliable and highly-efficient power supply.

## Improved sustainability

The EBRD supported better tariff methodology to allow the state electricity company to invest in its outdated infrastructure.

## Our case study

Read how the EBRD supported the first hypermarket in Tajikistan.



Watch how the EBRD and its donors are contributing to the upgrade of several Tajik cities' water supply systems through investment programmes, co-financing and technical assistance projects.



Read how the EBRD and the Green Climate Fund (GCF) provide a financing package to complete the rehabilitation of the Qairokkum hydropower plant to help Tajikistan improve its electricity supply.

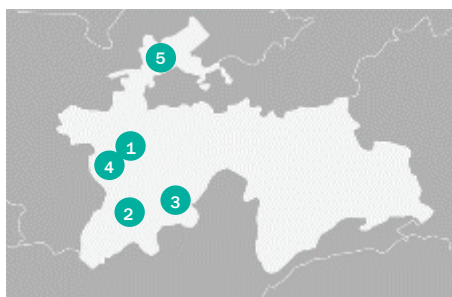


### 1. More resilient energy sector in Dushanbe:

The EBRD provided technical assistance to the government of Tajikistan with the review and update of the legal and regulatory framework for the electricity sector. With the EBRD's support, Tajikistan's government set up a new regulatory and tariff-setting unit, paving the way for a more transparent and sustainable energy sector.

### 2. Better public transport in Bokhtar:

Through the EBRD's investment and advisory services to help municipalities provide public transport, some 226,100 passengers now have better access to urban transport in Khujand and Bokhtar, including reliable bus routes and better fare collection.



### 3. Reforming the water sector in Kulob:

EBRD investment and associated advisory projects helped to improve solid waste systems and promoted better governance and business planning of state-owned companies in Dushanbe, Nurek, Yavan, Khujand and Kulob.

### 5. Improving access to safe drinking water in Khujand:

Access to safe drinking water is not readily available across Tajikistan. In Khujand, for example, the second biggest city in the country, the water distribution and wastewater collection systems were over 60 years old and deteriorated. The EBRD's investment in Khujand's water infrastructure helped bring clean water to 170,000 individuals in the city. A fully rehabilitated wastewater treatment plant is in operation. This has significantly improved the quality of water sanitation in the City.

### 4. More reliable water supply in Hisor:

EBRD financing and advice contributed to the improved quality and reliability of water supply in Hisor. The municipality also benefited from increased collection rates and improvements to the operation and financial management of the water supply.

# The EBRD in TAJIKISTAN



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## Better trade and transport connections

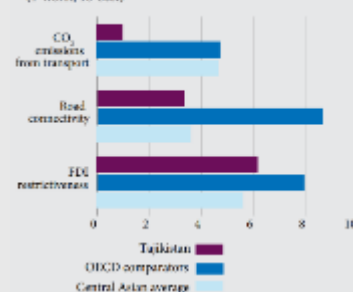
### SDG contribution



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Connecting Tajikistan more effectively to regional and global markets is essential to support both inward investment and exports, and so promote private sector development. Tajikistan is currently not well integrated into the regional and global economy: in 2020, it ranked 37th in the “integrated quality” index among the 38 economies in which the EBRD was investing at the time. Trade is only 57 per cent of GDP (largely dominated by imports) and is constrained by challenging logistics, namely a landlocked and mountainous geography, and slow bureaucracy (for example, documentary and border compliance for exports takes 10 times longer to complete than in advanced comparator countries). Moreover, FDI outside the natural resources sector remains very low.

### EBRD score (1-worst, 10-best)



### How we work

We have extensive experience in financing better infrastructure and international trade. For instance, the EBRD's Trade Facilitation Programme (TFP) promotes international trade through guarantees that cover the political and commercial payment risk, while increasing the capacity of local banks. To promote better infrastructure, the EBRD Infrastructure Project Preparation Facility (IPPF) provides support for clients in project preparation, policy dialogue and institutional strengthening to help improve the efficiency and quality of infrastructure projects, notably in the transport sector.

### The EBRD in Tajikistan \*

Total	2015-2022
<b>€215 million</b>	<b>€167 million</b>
Net cumulative investment in the transport sector	

\*as of December 2022

### Quick links

► [Trade Facilitation Programme](#)

The EBRD's Infrastructure Project Preparation Facility focuses on project preparation, policy dialogue and institutional strengthening to address both public sector infrastructure projects as well as public-private partnerships.



# EBRD achievements and results in Tajikistan: Regional infrastructure and connectivity

We help improve the quality of infrastructure for better connectivity by:

- ▶ assisting the government in preparing the Road Sector Institutional Reform Strategy and Action Plan, in coordination with IFIs and development partners (the Asian Development Bank (ADB), World Bank, Japan International Cooperation Agency)
- ▶ funding the key section of the Dushanbe-Uzbekistan motorway, in our first joint project with the Asian Infrastructure Investment Bank (AIIB).
- ▶ Providing new economic and transport opportunities to population of Rasht Valley through infrastructure development and finance road construction in eastern Tajikistan



We support international trade and foreign investment to promote integration in the global economy by:

- ▶ providing support for trade finance via our local partner banks.
- ▶ enhancing local agribusiness production and investing in production expansion to compete in international markets
- ▶ strengthening supply-chain linkages through financial support to a local greenfield bottling facility.
- ▶ facilitating cross-border trade of importers-exporters from Tajikistan and offering wide range of trade finance products. Over 700 cross-border transactions for €118mln have been successfully completed since inception.

## Modern roads

The EBRD involvement in the Dushanbe-Uzbekistan border road project supported the upgrade of the 4.6 km section of the road in Dushanbe, reducing congestion for the 18,000 vehicles that use it daily. The modern road improves traffic management and pedestrian safety.

## Safer airport in Khujand

The EBRD contributed to safer operations of Khujand International Airport by supporting the rehabilitation of the airport's runway including installation of new high-intensity lights and instrument landing system for safer landing and departure operations of aircrafts.



## Better public sector management

The EBRD contributed to better road connectivity and management through advisory projects on procurement standards and investment in maintenance equipment.

## Foreign investment

The EBRD helped Tajikistan make much-needed progress in attracting over €88 million in foreign direct investment.

## Better skills

EBRD helped to enhance the skills of trade finance professionals in banking sector through e-learning platforms, trainings and workshops dedicated to trade finance and compliance. Over 300 professionals participated and certified by the EBRD and International Chambers of Commerce (ICC).



[Read](#) how the EBRD promotes safe and sustainable roads in Tajikistan.



[Watch](#) how we worked with Agrotechservice, a farming equipment producer, to expand the company's activities in the country and beyond.



[See](#) how EBRD e-training helps make road design greener. Engineers designing and building roads in the EBRD regions are, through exposure to EBRD projects, finding out more about both how to incorporate international best practice in road safety into their work and, most recently, in climate resilience too.



[Read](#) how the population of the Rasht Valley in eastern Tajikistan benefits from better regional connectivity and new economic opportunities thanks to a major infrastructure project supported by the EBRD.

# The EBRD in TAJIKISTAN



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## Green economy transition

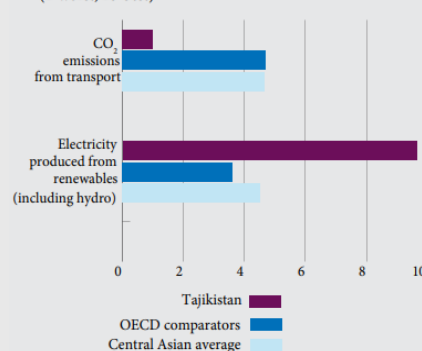
#EBRDimpact

### SDG contribution



Tajikistan is one of the countries most vulnerable to climate change. Average temperatures are rising, precipitation patterns are shifting and the country's glaciers are retreating. These changes can have significant effects on Tajikistan's hydropower sector, which accounts for 95 per cent of the country's electricity generation. Due to low energy efficiency and outdated energy systems, the country faces regular winter energy shortages. On the demand side, energy prices do not reflect the full cost of supply, which would then encourage electricity consumers to use it more efficiently. Measures should also be taken to avoid losses and minimise excessive usage. Likewise, efficiency improvements on the supply side could include better governance and increasing generation capacity at power plants. Moreover, air quality is poor in urban areas due to increases in road traffic in recent years. Lastly, limited financial instruments exist for companies to acquire climate-resilient technologies.

### EBRD score (1-worst, 10-best)



### How we work

The Bank promotes the green economy transition, which includes supporting investments in a range of renewable resources, energy efficient technologies, as well as greater resource efficiency. We combine investments with policy dialogue to help the country develop a supportive regulatory framework for sustainable energy, water and resource use. The Green Economy Financing Facility (GEFF) provides financing from the EBRD and the Green Climate Fund to local partner banks; they on-lend the proceeds for investment in projects that result in savings in energy, water and materials, or deployment of renewable energy, and reduced soil erosion and land degradation. The EBRD CLIMADAPT programme supports the uptake of climate-resilient technologies across the country. The EBRD's Green Cities helps addresses climate change and improve urban environmental performance both through developing a tailored Green City Action Plan to tackle the environmental challenges and to invest in a sustainable urban infrastructure.

### EBRD in Tajikistan\*

Total	2015-2022
€242 million	€186 million
Green economy financing commitments	
€248 million	€190 million
Net cumulative investment in the energy sector	

\*as of December 2022

### Quick links

- ▶ [Green Economy Transition](#)
- ▶ [EBRD Green Cities](#)



The Green Economy Financing Facility (GEFF) Tajikistan is a credit line facility of up to US\$ 25 million for participating financing institutions to on-lend to the commercial and residential sectors for investing in energy efficiency, renewable energy and climate resilience projects.

# EBRD achievements and results in Tajikistan: green economy transition

## We support climate resilience by:

- ▶ Extending financing to banks and microfinance institutions under CLIMADAPT to finance investments that adopt energy efficient, climate-resilient technologies
- ▶ Through our intermediated green finance programmes; we have provided more than 4,600 sub-loans to households, businesses and farmers across the country to finance improved energy, water and land usage.
- ▶ providing financial and technical support to the International Hydropower Association (IHA) to develop industry best practice guidelines
- ▶ addressing key environmental challenges through a tailored Green City Action Plan in Dushanbe as part of the EBRD Green Cities programme.



## We help improve energy efficiency and renewable energy by:

- ▶ financing the rehabilitation of the 60-year old Qairokkum hydropower plant (with support from the Green Climate Fund) to increase capacity and cope with climate change
- ▶ investing in a power converter station to enable the export of renewable energy
- ▶ promoting women's access to green finance and green entrepreneurship (for example, through gender activities under the GEFF).

## Greener finance

Since 2019, the GEFF programme alone has contributed to annual savings of 1300 tones of CO<sub>2</sub>, 20,000 GJ of energy and 690,000 m<sup>3</sup> of water.



## Equal opportunities

GEFF Tajikistan supports gender activities that aim to enhance women and men's equal opportunity to access finance for green technologies resulting in a 40% share of women & women led businesses in the portfolio while more than 70% of sub-borrowers come from rural areas

## Greener cities



In Dushanbe, 860,000 residents are benefiting from cleaner air through sustainable infrastructure investments under the EBRD Green Cities programme.

## Energy efficiency

The EBRD supported the first stage of the Qairokkum hydropower plant project, which reduced energy loss by 20 per cent.

## Clean energy exports

The EBRD's investments supported clean energy in Central Asia by enabling Tajikistan to export surplus zero-carbon hydropower in the region.



[Watch](#) how the EBRD's GEFF programme helps Tajik women access green finance



[Read](#) how the EBRD helped Tajikistan to benefit from the opportunity to sell summer electricity surplus to Afghanistan and Pakistan.



[Watch](#) how the EBRD's CLIMADAPT programme helps build resilience in Tajikistan



[Read](#) how the EBRD, EU, GCF and South Korea boost climate finance in Tajikistan

# The EBRD in Tajikistan: Selected achievements and results

## 1. Introducing climate financing in Dushanbe:

In 2016 the EBRD launched a US\$ 10 million credit line programme, CLIMADAPT, to provide local currency loans in support of climate-resilient technologies. As of 2020, over 2,000 farmers, households and businesses across Tajikistan had accessed this financing, which contributes to better water and energy use, better land management and irrigation practices in the agriculture sector. Almost one-third of borrowers accessing this funding were female.

## 2. Adoption of climate technologies in Nurek:

The EBRD provided financing for climate-resilient and resource-efficient technologies applicable to the agricultural sector and rural areas, including (but not limited to) drip irrigation, no-till machinery, solar water heaters and solar photovoltaic systems.

## 2. Adoption of climate technologies in Nurek:

The EBRD provided financing for climate-resilient and resource-efficient technologies applicable to the agricultural sector and rural areas, including (but not limited to) drip irrigation, no-till machinery, solar water heaters and solar photovoltaic systems.

## 1. Lower energy costs in Dushanbe:

With EBRD support, Inter Fitness became Tajikistan's first green fitness centre which implements an advanced engineering system to reduce energy costs and carbon emissions.

## 1. Foreign direct investment in Dushanbe:

The EBRD's investment in Coca-Cola in Tajikistan financed a greenfield soft drinks bottling plant in the suburbs of Dushanbe. The investment helps to reduce import reliance, increase domestic production and raise standards in the country's agribusiness sector.

## 1. Promoting international trade links in Dushanbe:

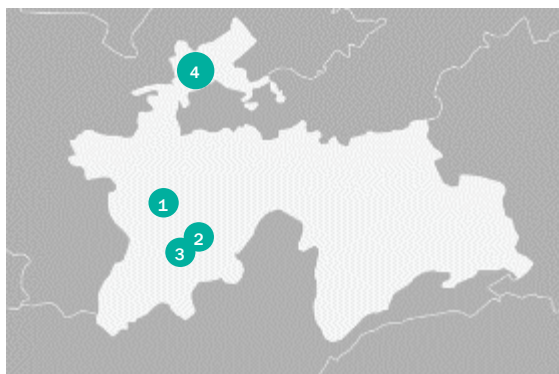
The EBRD provided a US\$ 1 million loan and technical assistance to a small, joint Tajik-Belarusian enterprise called Agrotechservice. With the EBRD's advice, the company was able to upgrade its tractor assembly plant and increase production enough to start exporting tractors abroad, including to neighbouring Afghanistan.

## 4. Climate-resilient hydropower plant in Sughd:

The EBRD provided an US\$ 88 million loan to help rehabilitate the Qairokkum hydropower plant – the only major energy generation facility in northern Tajikistan. The project also included technical support for institutional capacity-building. The project also increased dam safety, improving the plant's climate change adaptability across its lifespan. Through the Sughd Reduction Project, funded by the EBRD in 2011, electricity losses decreased from 27 per cent to 10 per cent and collection rates improved.

## 3. A large power converter station in Sangtuda:

The EBRD and World Bank co-financing the largest power converter station in Tajikistan to promote cleaner energy. It will enable the country to sell more of its summer electricity surplus to Afghanistan and Pakistan. This in turn meant that Pakistan could replace its carbon-intensive electricity with Tajikistan's zero-carbon hydropower.



## 1. The first hypermarket in Dushanbe:

The EBRD financed the first hypermarket in Tajikistan (Auchan) to bring quality products at discount prices to the local population. The franchise is also developing links with Tajik farmers and sources more local products, both in the Tajik store and in Russia, opening possibilities for supply-chain links and Tajik exports.

## 1. Modern roads in Dushanbe:

The EBRD's road investment towards the Dushanbe-Uzbekistan border supported the upgrade of the 4.6 km urban section of the road to Uzbekistan, improving transport and reducing congestion for the 18,000 vehicles that use it daily. The modern motorway also complies with the best international social and environmental standards.

## Partnerships

The EBRD supports the transition process by combining investment, capacity building and policy dialogue with local and central governments, regulators, financial institutions and representatives of civil society. Partnership with donors is critical to address transition challenges, affordability constraints, improve market outcomes in the presence of significant externalities, and steer investments towards improved sustainability and

transition impact across EBRD's regions. With a focus on sustainable and inclusive private sector development, donor funds also play a key role in building low carbon economies and mitigating climate risks. The EBRD has worked with donors since its creation and currently manages relations with a broad and varied donor community of up to 50 different partners, primarily governments and multi-lateral organisations.



## Our Partnerships in Action

- ▶ Working alongside the ADB, World Bank and Japan International Cooperation Agency, we are helping to promote road sector reform.
- ▶ We are co-financing the key section of the Dushanbe-Uzbekistan motorway in our first joint project with the AIIB.
- ▶ In partnership with the Global Environment Facility we have worked to increase climate resilience through water sector rehabilitation.
- ▶ In partnership with the World Bank and ADB we support cleaner energy and energy sector reform. With the support of the European Union (EU), we are providing long-term support to the SME sector, including through €4 million for the first-loss guarantees on private sector lending and €3.4 million for technical assistance.
- ▶ The EBRD, investing its own funds, is investigating the production of confectionary, with a view to helping the local private sector cater to the growing domestic demand.
- ▶ We implement infrastructure projects in partnership with the EU

and the Swiss State Secretariat for Economic Affairs (SECO), e.g. the water and wastewater services, public transport and solid waste.

**Donors:** Austria, Czech Republic, France, South Korea, Luxembourg, Switzerland, Taipei, China, UK, USA, the EU, the ETC Fund, the EBRD Water Fund, the Small Business Impact Fund, Climate Investment Funds, the Green Climate Fund, the Global Environment Facility, the Women Entrepreneurs Finance Initiative

## Work with us

### Financing

Loans  
Equity  
Guarantees (including to local banks for trade finance)

### Advice

Expand  
Improve processes and governance  
Meet standards  
Navigate regulatory environment  
Train workers

### Goods and services

Procurement  
Careers

### Participate

Have your say on EBRD policies and strategies

## Contacts

Holger Wiefel, EBRD Head, Tajikistan

### EBRD Tajikistan offices

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### New business enquiries

Business Development Department  
Tel: +44 20 7338 7168  
email: [newbusiness@ebrd.com](mailto:newbusiness@ebrd.com)

## Shareholding

**16 October 1992**

Tajikistan joined the EBRD

**1994**

EBRD started investing in Tajikistan

**€21.01 million**

Tajikistan's EBRD Capital Subscription

**Jamshed Abdurahmon Karinzoda**

EBRD Governor for Tajikistan

**Sergey Verkashanskiy**

EBRD Board Director for Tajikistan

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