

# THE EBRD IN TAJIKISTAN

## Better trade and transport connections

2015-20

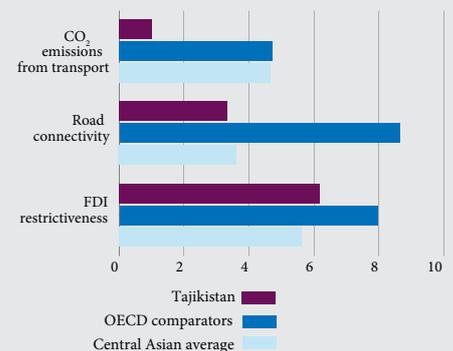
### Related SDGs



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 infrastructure and trade. 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.

Our 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.

### In numbers

**€149 million**

Net cumulative EBRD investment in the transport sector

**€9.2 million**

Volume of financing to support trade facilitation

### 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.



## Achievements and results: 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).

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.

### Modern roads in Dushanbe

The EBRD involvement in the Dushanbe-Uzbekistan border road project supported the upgrade of the 46 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.

### Better public sector management

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



Watch how the EBRD promotes safe and sustainable roads in Tajikistan.



### Facilitated foreign investment

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



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



**Modern roads in Dushanbe:** The EBRD's road investment towards the Dushanbe-Uzbekistan border supported the upgrade of the 46 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.

**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.



**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.

**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.