

PUBLIC

**DOCUMENT OF THE EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT**

STRATEGY FOR TAJIKISTAN

**REPORT ON THE INVITATION TO THE PUBLIC
TO COMMENT**

PUBLIC

1. INTRODUCTION

In accordance with the EBRD Public Information Policy (PIP), the draft Strategy for Tajikistan was posted on the EBRD website in English and Tajik for 45 calendar days, starting from 8 May 2015 to 22 June 2015. The previous Strategy was also made available on the website in English and Tajik.

Information about the public consultation process was posted on the EBRD's dedicated webpage "Have your say", which highlights the latest opportunities for the public to comment on the Bank's policies and strategies under review. In addition, targeted notifications of the consultation process were sent to local and international civil society organisations (CSOs) that have expressed interest in the Bank's work in the country. The start of the review process was also advertised through social media platforms (e.g. Facebook and Twitter).

In line with the Bank's increased efforts to involve civil society at an early stage of country strategy development, the EBRD organised a consultative meeting with civil society organisations (CSOs) on 30 September 2014 in Dushanbe. The event provided a platform for dialogue between civil society representatives and EBRD staff involved in the Strategy preparation process, including senior representatives of Banking, the Political Advisory Function, the Gender Team, and the Office of the Chief Economist. The consultative meeting was opened by the EBRD Director for Central Asia and chaired by the Head of the Resident Office in Tajikistan. The workshop attracted civil society representatives from seven local and international CSOs. The summary of the meeting and list of participating organisations are provided in the Annex to this report.

During the preparatory phase leading to the draft country strategy, the Bank's President also met with local CSO representatives on 17 November 2014 in Dushanbe, in order to further consult civil society representatives on the operational priorities in the forthcoming EBRD strategy. The discussion focused on governance and socio-economic challenges, as well as sustainable and inclusive development. The EBRD President engaged in a comprehensive dialogue and confirmed the Bank's commitment to engaging closely with civil society.

During the consultation period no comments were received by the Bank in written format.

ANNEX 1

Summary of EBRD meeting with civil society – 30 September 2014, Dushanbe

On 30 September 2014 the EBRD Resident Office in Tajikistan hosted a workshop with civil society representatives in Dushanbe. The event was attended by seven civil society organisations working in the area of human rights protection, social and sustainable development, business development and climate resilience. Following a presentation on the Bank's activities and key operational priorities in the forthcoming EBRD Strategy by the Head of the Dushanbe Office, the floor was opened for a roundtable discussion on a wide range of topics, including democracy and human rights, transparency and accountability, inclusion, sustainable development and climate resilience.

Participants welcomed the Bank's approach in consulting civil society at an early stage of the country strategy process and encouraged the Bank to pursue dialogue with civil society as part of institutional decision-making processes. CSO representatives furthermore broadly endorsed the main operational priorities set forth in the upcoming country strategy for Tajikistan. There were nevertheless some concerns expressed in relation to the Bank's approach to project monitoring.

Rule of law and human rights

Representatives from civil society organisations expressed concerns about the independence of the judiciary, lack of proper law enforcement, freedom of expression and association, as well as the treatment of certain vulnerable groups and civil society organisations in Tajikistan. According to CSO participants, Tajik citizens still suffer serious human rights violations and the government has yet to bring domestic law fully in line with its obligations under international human rights law, including with regards to the use of torture. Civil society representatives moreover claimed that human rights organisations and independent journalists have been subjected to intimidation, pressure and increased scrutiny by Tajik authorities. Restrictions on CSOs were introduced in several legislative proposals, particularly in relation to prohibitive reporting obligations to state authorities. The Bank will explore opportunities to support capacity building of the judiciary and lawyers. Immediate priorities for reform in the justice sector include the establishment of a free, comprehensive and easily searchable database of judicial decisions, an overhaul of the enforcement framework, and systematic professional training for enforcement officers. Additionally, donor funds are expected to support policy dialogue and legal transition with a view to helping the government advance its reform agenda and building judicial capacity.

Transparency, accountability and the fight against corruption

One of the main civil society concerns in Tajikistan is corruption, which is seen as a serious barrier for socio-economic development and poverty alleviation. CSO representatives pointed to the fact that rampant levels of corruption have remained part of the country's legal and business environment despite repeated presidential announcements that anti-corruption efforts were being stepped up. Corruption in the judiciary in particular affects the right to a fair trial. According to Transparency International's 2014 Corruption Perception Index (CPI), Tajikistan is ranked 152nd out of 175 countries. Civil society representatives consider that the EBRD should promote good governance, transparency and accountability in Tajikistan. The Bank will work to increase transparency, and ensure the protection of property rights in Tajikistan. It will also seek to improve access to public services through policy dialogue in relation to good governance

Inclusive growth and the development of the SME sector

According to civil society participants, substantial regional disparities in labour market access and services remain in Tajikistan, particularly in the Gorno-Badakhshan region. Closing the regional gap with regards to employment opportunities, accessibility of reliable public utility services and transparent governmental institutions are believed to be among Tajikistan's main inclusion challenges. CSO representatives also consider that there is a high incidence of gender segregation in the labour market, with women concentrated in lower-wage sectors and on average earning significantly less than men. They also report on gender gaps in relation to health, labour practices, access to finance, employment and firm ownership. The Bank will seek to enhance inclusive and sustainable economic growth by supporting expansion of private enterprise, notably SMEs, through a combination of targeted investment, advisory services and skills training, as well as policy dialogue to improve the business environment. It will seek to enhance access to finance and know-how for SMEs through a variety of instruments, including development of MFIs by supporting microfinance and providing local currency funds, as well as business advice. The EBRD will moreover support women's entrepreneurship through a combination of private sector engagement and policy dialogue with the authorities.

Climate resilience and energy efficiency

Representatives of civil society organisations pointed to Tajikistan's high climate vulnerability, as the country is greatly exposed to climate change. The main environmental issues in Tajikistan are considered to be the impact of climate change on key sectors such as agriculture and energy. CSO participants moreover raised the issue of water flow volatility as a result of climate change, which is likely to significantly impact the country's hydropower based energy system. The inefficient use of water and energy resources across sectors also remains a cause of concern. Climate resilience is an area where the Bank could engage through significant co-financing, and it provides strategic opportunities for the EBRD in terms of a broader engagement with the international community, in addition to opportunities for more innovative investment in Tajikistan. The Bank will also look to incorporate innovative approaches to climate resilience in its municipal infrastructure projects. The EBRD will moreover continue to support improvements in the regulatory framework for energy efficiency, including heat supply regulations.

List of participating organisations to the consultation meeting in Dushanbe on 30 September 2014

1. Club of Ecological NGOs of Tajikistan,
2. Eurasia Foundation Central Asia
3. Gender and Development
4. League of Women Lawyers
5. Mountain Societies Development Support Programme
6. National Association of Small and Medium Business
7. Open Society Institute Tajikistan