

Tajikistan with the support of development partners continues the implementation of economic and political reforms. This year Tajikistan has joined the World Trade Organization (WTO) and has undertaken a broad range of commitments to speed up its integration in the world trade system. The ongoing reforms have resulted in improving the current ratings of Tajikistan in the Doing Business Report, which stands at the 14th out of 185 countries. The private sector contribution to GDP still remains behind some other CIS countries at around 46%. Nonetheless, in Global Economic Competitiveness Report for 2012-2013 Tajikistan improved its ranking from 105th place to 100 out of 144 countries, but is still considered as a factor driven economy. According to the latest official data, the poverty headcount dropped from 47% in 2009 to 39.6% in 2012, or by almost half since 2003.

In late July 2012 up to 60 people were reported killed in clashes between state forces and those loyal to local commanders in the eastern province of Badakhshan, on the Afghan border. The government troops were trying to track down those responsible for the assassination of the regional head of the National Security Committee. Both the government and anti-government forces sustained losses in the fighting. Around half of the people killed in the fighting were rebels, and the remainder were government soldiers and civilians. Several prominent members of the governments' forces were injured in the fighting, including the deputy prosecutor-general, and the province's regional prosecutor. Poverty, unemployment, power shortages, external disruption as well as regional, religious-ideological and ethnic differences will remain possible sources of instability.

The fourth Development Forum of National Development Council marked the end of implementation of the Poverty Reduction Strategy 3 for 2010-2012 and presented the new mid-term Livelihoods Improvement Strategy of the Government for 2013-2015 focusing on both poverty reduction and development of middle class. Growth recovered quickly following the 2009 slowdown, with real GDP expanding in average by 7% in 2012. This was due partly to increased exports and renewed growth of remittances - \$3.3 billion USD as of January-November 2012. Agriculture also contributed due mainly to the largest cotton harvest in the last 20 years. Inflation has subsided but remains susceptible to higher global food and commodity prices standing at 6% in 2012 as reported by National Bank of Tajikistan (NBT). The NBT notes that exports of goods have risen 7.4% as of December 1, 2012, reaching \$1.2 billion. Imports of goods into the country over the same period have risen 18.1%, reaching \$3.4 billion. Given the drought-affected grain harvests in Russia, Kazakhstan, Ukraine, and the United States, the food price increase in 2012-2013, and as the food items account for more than half of the consumption basket in Tajikistan and the food mostly imported.

Tajikistan continued its reforms in 2012. The agricultural reform was going quite extensively with the support provided by the different donors. The most important achievements of the reform were the adoption of the new Land Code (giving more rights to the farmers in land management) and division of political and economic functions in the water sector. Few other laws that should improve the farmers' rights in agricultural sector are still under review and should be adopted in the near future. The new Tax Code was adopted providing more opportunities for business (majority of those changes will take an effect only after 2016, though). The revisions were also made in the microfinance legislation streamlining some processes and providing some clarifications. The new 'Law on Public Private Partnership' was also adopted and set up as a good basis for partnership between the government and private sector.

Summary on progress towards UNDAF outcomes

There have been some significant and broad developments on both the upstream and downstream level in the overall UNDAF implementation. UN agencies collectively continued to render support to major policy initiatives and reforms for improvements in overall public management and development effectiveness.

On UNDAF Pillar 1, the Government of Tajikistan has approved new Mid Term development strategy for 2013-2015 aimed to improve population welfare. The Strategy is based on the implementation of National Development Strategy and built as continuation of previously implemented Poverty Reduction Strategies. The main focus is given to poverty reduction and middle class development by strengthening, implementing and initiating reforms for improving public administration, economic and social development, support to private sector and infrastructure development and overall improving human development in Tajikistan. Tajikistan with the support of development partners continues the implementation of reforms for improving the business environment in order to create more favorable conditions for private sector development. There are ongoing reforms for simplification of business registration and establishment of electronic submission of documents, introduction of one stop-shop for import-export procedures and obtaining construction permits, simplification of pledge of movable property system and others. These reforms have resulted in improving the ratings of Tajikistan in the World Bank Doing Business Report, and Tajikistan stands at the 141th place out of 185 countries in the 2013 ranking. Significant efforts provided for support of rural poor, entrepreneurs other marginalized groups with access finance covering more than 7000 people. Business Challenge Fund was established and two big amount credits were provided to them for renovation of the production and introduction of new technologies. Business Challenge Fund administered by microcredit fund will work further to access SMEs for the affordable funds.

Within the framework of Public Administration Reform (PAR), the Government of Tajikistan in partnership with the international community conducted functional reviews of seven line Ministries. The results of the functional review will lay the bases for further institutional changes in the ministries. In addition, UNDP started implementing an initiative in partnership with the Executive office of the President and discussions were held on developing a new concept for local governance in the framework of the PAR. In 2010, Tajikistan developed the second Mid- Term Expenditure Framework (MTEF) for 2011-2013. UN FAO facilitates the implementation of agriculture reform initiatives and organized analysis of the current status of agriculture management structures in the country which resulted in the development of a Roadmap for Local Governance and Agriculture Management Institutions Reform currently presented to all stakeholders. UNICEF has supported the Government of Tajikistan to implement some key elements of the Public Finance Management (PFM) reform and supported Ministry of Finance (MoF) on strengthening capacity of all 73 finance departments nationwide. Through this partnership, MoF employees have acquired skills in finance operating systems, budget planning and execution and performance indicators in the social sector.

Food and Security Pillar continued to play an important place in the assistance provided by UN agencies. Food Security Monitoring System assessments continue to provide key vulnerability information in regard to household income and food consumption and helped the relevant GoT departments determine Food Consumption Score for their forecasting and planning. FSMS exercise generates timely food and nutrition security information for decision-makers. The Publication and dissemination of the FSMS Bulletin provides partners with the means to develop and adjust their development and humanitarian activities at regional and district level. Adequate number of specialists were trained to operate the FSIS with minimal external inputs. Around 100 representatives of regional and district Hukumats are coached in food security severity phase classification and gain FS skills and knowledge on conducting joint food security analysis to reach technical consensus on the nature and severity of food insecurity in their region.

The Agrarian reform process led by FAO and supported by all UN agencies has achieved significant results which will have far-reaching consequences on the food security situation in the long term. This reform is based on the principles of private sector-led agriculture growth and development with clear division of roles and responsibilities for the state (policy and regulation), for private sector (provision of inputs, services, processing and marketing all along the value chain) and the farmers (as the main drivers of production). The most notable achievements of the Agrarian reform relate to the approval of Land Code Amended and review and amendment of Mortgage Law while the Dekhkan farm restructuring is currently undergoing approval process. With support of FAO, national and local authorities have improved ability in monitoring of food and agricultural products through study tours to China, Turkey and CIS countries. They are now more aware of policies and strategies and legal issues and government plans to enhance food security, and in specific subjects, from land reform to sector diversification, water management and local governance. Capacity trainings were conducted for farmers on improving conditions of farms, advanced methods of animal feeding, breeding.

On the humanitarian front, approximately 1,100 people received emergency food distributions (fortified wheat flour, enriched vegetable oil, pulses and iodized salt) because of emergency situations generated by natural disasters. UNICEF supported semi-annual national vitamin A supplementation campaigns. According to a MoH report, during the first round in 2012 around 900,000 children 6-59 months received vitamin A, which is 98.8% of the target group. UNICEF provided MoH with therapeutic food for management of severely malnourished children. For the first nine month of 2012, over 600 severely malnourished children received treatment according to the international protocols. In 2012, UNICEF and WB nutrition project provided MoH with micronutrient supplements to reach around 80,000 children 6-24 months and 60,000 pregnant women in remote and vulnerable districts. WFP provided safe and nutritious food (fortified wheat flour, enriched vegetable oil, pulses and iodized salt) to 492,000 people under all its activities; safe and nutritious porridge (working in partnership with the Ministry of Health) made of fortified wheat flour, vegetable oil and sugar to 7,861 malnourished children.

On Pillar 3 on sustainable energy, environment and natural resources, water issues were at the top of Tajikistan's development agenda in 2012. The Government of Tajikistan supported by UN agencies, especially UNDP and FAO promoted several high level initiatives on water cooperation issues at the global level in 2012, as well as initiated water sector reforms with subsequent decisions domestically to stress water sector as a priority for country's sustainable development. UNDP's water projects support the evidence based reform process. For example, as part of the water sector reform process, UNDP developed methodologies for technical inventory of irrigation and drinking water supply systems which are now being utilized as a model to conduct the inventory throughout the country. UNDP also prepared proposals on tariff policy improvement towards full cost recovery, proposed a model institutional framework for drinking water, elaborated policy briefs on ownership and operational management rights for drinking water. UNDP's role has been pivotal in presenting water and energy challenges of Tajikistan at the highest level. Tajikistan has been selected as a pilot country for UN Secretary General's Initiative "Sustainable Energy For All" and UNDP facilitated the dialogue between stakeholders and provided technical expertise in the development of the Rapid Assessment and Gap Analysis for Energy Sector.

The Pillar 4 on provision of quality basic services is divided into 3 more sub-outcomes related to health, education and social protection. Within health sub-outcome, WHO helped to develop Non-communicable diseases strategy which was approved by the Government of Tajikistan at the end of 2012 as well as the "Guideline on conducting national immunization days against diphtheria". Significant progress was made on improvements in access and quality of basic health services. WHO in close coordination with the Ministry of Education are conducted cycle of trainings on WHO 5 Keys to Safer Foods and education materials are widely promoted and distributed via strengthening of knowledge of teachers conducting educational sessions to children with topics related to personal hygiene, water and food safety, and good nutrition behaviour in the secondary schools of

Sughd and Khatlon Regions. With UNICEF advocacy, Tajikistan has signed A Promise Renewed pledge, taking responsibility and accountability in further acceleration of child survival efforts and contribute to reduction of child mortality. For the first nine month of 2012, over 600 severely malnourished children received treatment according to the international protocols. Established and well-functioning MCH coordination council continues to play a crucial role in coordination of donor driven efforts and MoH strategic directions in the field of improvement of basic MCH services.

On social protection front, the year was marked with achievements at the upstream level supported by substantive efforts at providing social support at the downstream level. National Action Plan on Prevention and Elimination of the Worst Forms of Child Labour in Tajikistan for 2013-2020 and National Occupational Health and Safety Programme for 2013-2016 was developed and approved with support of ILO. Mapping document on mapping the legislation and policies on child labour and youth employment in Tajikistan prepared. The Ministry of Labour and Social Protection (MLSP) was supported nby UN agencies to finalise the 1) Methodological Recommendations on district level inter-agency cooperation, 2) Concept on Social Service Development, and 3) Measures on further development of social care systemfor vulnerable children and families at the national and local level. Short-term training was provided to 178 Social Workers in Scientific Research Institute of Labor and Social Protection in 12 priority districts and Dushanbe city with focus on inter-agency cooperation in district level. In 2012, Ministry of Health (MoH) issued a directive for officially setting up Psychological Medical Pedagogical Consultations (PMPC) at the local level. 9 PMPC, with staff trained by UNICEF on physiotherapy and occupational therapy, is providingservices to CWD since 2010.

The Study on Prevalence of Suicide among Young People in Sughd province of Tajikistan revealed gaps in community-based psychosocial services. Baseline study for Safe and Friendly Dushanbe Program revealed concerns regarding safety and prevalence of violence in public and private settings, and 2 shelters for women and children are supported as part of it. Efforts for withdrawing and preventing child labour in agriculture and urban informal sector and promotion of youth employment continue through Child Labour Monitoring Sector. In the last three years 9 new juvenile justice alternative projects (JJAP) have been established in Bokhtar, Kulyab, Panj, Kabodien, Panjakent, Rasht, Shugnan, Kurgan-tube, and Kanibadam. These districts are providing psychosocial support to children in conflict with the law and at risk of offending on the basis of Centres of Additional Education. From 2010 till December2012, 436 children were referred to the JJAP where they were assisted by social workers and provided vocational training. Justice professionals (judges, police officers, prosecutors and lawyers) are receiving continuous training on juvenile justice. Provided trainings are showing the first results of mind-set change among judges who rendered decisions in favour of non-custodial sentencing in several districts.

Achievements on cross-cutting issues of gender of the current UNDAF deserve a special mention. The UN women together with IOM and World Bank started implementation of the Central Asia Regional Migration Programme in Tajikistan directed at protecting the rights and enhancing the social and economic benefits of migrant men, women and their families. The programme directly responds to needs expressed by poor migrants for more information on their rights, legal options and opportunities for legal labor. Among the notable achievement of the programme is involvement of 1699 members of SHGs are involved in income generating activities and initiatives by undertaking sustainable economic initiatives, including animal breeding, rabbit breeding, small trade, carpet weaving, agricultural production, catering and sewing services by using microcredits and other resources. As part of achievements of the project 'Gender and Democratic Governance in Development –Delivering Basic Services for Women', reform of the social protection system has been undertaken in the country to reflect gender issue.

Summary on progress in UN Reform

UNCT has continued to collectively support the Development Coordination Council in the effort to further align development assistance with international community. UN Agencies continue to lead and co-lead DCC working groups and has supported preparation of PRSP4 (2013-2015). The Aid Management Information system has been introduced in the State Committee on investment and property management with joint trainings conducted for national, international and relevant UN personnel. With support of the AIMS, the Government now has the better conditions and instruments for aid forecasting. It also allows the greater orientation of foreign assistance on the Government strategic documents. AIMS also promoted better aid monitoring as an integrated component of the national monitoring process of the National Development Strategy and Poverty Reduction Strategy.

In accordance with UN coherence, the UN performance was improved based on the one UN team strategy in the country as well as internationally agreed five principles of the Paris Declaration and four shared principles of Busan Forum. Agreed Shared Principles presented during the Development Forum by Government of Tajikistan and DCC. The coordination among the donors in Tajikistan is one of the best examples world-wide.

At the beginning of the year, UNCT decided to move ahead with one of the components of UN reform agenda. The decision was on One Communications as the most realistic step. The group's activities as per workplan are cost shared by most of UN agencies. The UNCG managed to organize several important activities for raising the profile of UN in the country, including: 1. In cooperation with Tajikistan's academic and educational institutions, organize a scientific conference on various aspects of UN's role dedicated to 20th year anniversary of UN presence in Tajikistan; 2. 30-minute movie highlighting UN's achievements for the past 20 years; 3. Joint UN agencies press conference on UN Day; 4. A theatre performance on interconnected issue of Tajik labour migration, HIV/AIDS and plight of Tajik widows. UNCG is also actively involved in ongoing post-2015 consultations by preparing a UN leaflet, distribution materials and a short introductory clip on the consultations process. The UNCG and its success in jointly advocating UN events, programs and activities can serve as a useful platform for gradual introduction of other One UN

components. OMT has conducted a preparatory work on introduction of the common procurement and has subsequently developed a common procurement workplan in 2012 with subsequent implementation in 2013.

Key aspects of the proposed 2013 workplan

UNCT will direct all its efforts in making the post-2015 Development Agenda a successful process in Tajikistan. This will be supported also by pursuing one of the main goals of One UN Communications Group's workplan for 2013. It will include involvement of a Tajik film director to shoot a professional documentary of the post-2015 development agenda process, national TV campaign featuring short clips on simple explanation of the process and invitation to participate in the process, maximum coverage of the process in print and electronic media publications.

The post-2015 development agenda consultations in Tajikistan and its results have a long-term relevance for the work of UNCT and current efforts at upstream and downstream levels of the UN agencies collectively. UNCT will be supporting development of the new long-term strategy for 2016-20125 which will replace current National Development Strategy and will make direct use of the results and conclusions of the post-2015 consultations. At the same time, with quickly approaching conclusion of MDGs in 2015, UN agencies under leadership of UNDP will advocate for MDG Acceleration Framework to speed up achievement of MDGs.

Donor coordination mechanism in the form of Development Coordination Council has already become a staple of international community's success in aligning their efforts in supporting the Government of Tajikistan in an effective and efficient management of development assistance in accordance with Paris Declaration Principles. UNCT's role in strengthening this mechanism cannot be overstated and will continue so in 2013 as well with UN agencies chairing and co-chairing three clusters – Natural Resources, Human Development and Governance – and five Working Groups – Rural water, environment and DRR, Health, Education, Rule of Law and civil society. Following successful completion of Agrarian reform conference, FAO leading DCC Natural Resources cluster will put further efforts in implementation of reform agenda in rural areas. UNCT will also continue to strengthen aid coordination and effectiveness through operationalization and accessibility of Aid Information Management System which was introduced last year at the State Committee for investment and property management.