

## **Speech at the National Development Council of the Republic of Tajikistan**

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Dear members of the Council!

Distinguished representatives of donor community,

Ladies and gentlemen!

As we have already reviewed all items of the National Development Council agenda, let me now to share with my view on these points.

This year was quite productive year for our nation, as a large number of historic and remarkable events took place (this year).

We have solemnly marked the celebrations of Tajikistan's independence and the National Unity Day.

Accession to World Trade Organization is another achievement of paramount importance.

These developments have once again proved that national unity, lasting peace and genuine stability are those remarkable progresses our people have achieved over the period of independence. Our nation today takes pride in these achievements on the international arena.

The Government continuously takes massive efforts and specific steps to create favorable economic atmosphere with the view to promote social stability and to improve the living standard.

To this end, we continue undertaking serious reforms in all sectors of our country's economy.

Moreover, a number of key factors should be taken into account in sustaining continued economic growth and on improving of standards of living of the people.

First and foremost, an implementation of national priorities, which are identified in accordance with the National Development Strategy for short-term period is of high importance.

Successful realization of these priorities which include strengthening public administration, promoting sustainable development, diversification of economy, as well as human capacity building in general ensure economic resilience and the country's development.

Alongside this, there is a need to reinforce domestic competitive production in the real sectors of the national economy based on state-of-the-art technology and world best practices and convert a negative balance of an export and import of the country to a positive growth dynamic.

Of course, in ensuring economic stability, we have to not exclude an impact of external factors to economy, particularly taking into account financial and economic turmoil and the volatility of the situation in regional and global markets.

It is necessary therefore to work out mechanisms and the effective economic instruments which would respond to such external factors and protect the national economy from their adverse impact.

Tajikistan's achievements in pursuing economic and market reforms, and safeguarding continued economic development are recognized by the international community and have encouraged our strong partnership with all development partners.

We have worked hard, nurtured cooperation with our allies and the hard work is paid off, as Tajikistan has yesterday acceded to the World Trade Organization.

**Ladies and gentlemen!**

We in this meeting today have listened to reports on the outcomes of the two short-term poverty reduction strategies from the period 2007 to 2012.

It is worth noting, that over these years, thanks to fruitful collaboration with Development Coordination Council, the Tajik Government has made a remarkable progress in achieving the Millennium Development Goals, especially in improving the living standards of the people.

At the same time, tremendous works have been done in the key social areas, particularly in education and health care sectors, and on improving an access to safe drinking water. Our development partners gave an increased attention to these fields.

You well know, that despite the challenges of a transition to market economy, the Government has undertaken reliable and targeted economic policy which has facilitated building new robust economic relationship and on that basis is promoting consistent implementation of economic reforms.

It should be noted, that in 2012, in spite of ongoing crisis in the global economy and an implication of other negative external factors, we continue to seriously engage with improving investment climate, developing private sector and extending access to service markets. Macroeconomic stability has thus been retained in the country.

Dynamic of macroeconomic indicators of the country this year stand as testament that the GDP growth like to be at the impressive rate of 7,5%.

Rapid pace of recovery and the prompt economic development over the recent years have enabled to considerably alleviate a poverty rate throughout the country.

As you know, poverty rate has been reduced from 81 to 42% during the last ten years.

Analysis and studies on the prospect of national economy's growth in the short-term up to 2015 testify that medium-class people will get benefits of an implementation of national development priorities in the country.

**Ladies and gentlemen!**

Socio-economic stability and the continued growth in the region are inseparably linked with the situation in Afghanistan.

Intensification of assistance to building peace, security and the promotion of the economic rehabilitation in this country are essential on the background of the ISAF and coalition forces withdrawal by the end of 2014.

You know, that in March of this year we in Dushanbe hosted the 5th Regional Economic Cooperation Conference on Afghanistan.

On the margins of the Conference, delegates and parties have underlined undeniable importance of a series of comprehensive administrative reforms, trans-boundary commercial engagements, including the improvement of customs procedures, signing of the Regional Transit Agreement aimed at the enhancement of the regional economic integration.

A number of infrastructural projects, including in hydro-energy and transport sectors have been presented at the conference.

In our view, an implementation of those projects is very important.

Tajikistan as well as supports the measures which would effectively contribute to our shared efforts of building lasting peace and security in Afghanistan.

Counter terrorism, extremism, weapon smuggling, trafficking in narcotics and fighting transnational organized crime, is one of the principal objectives of the region which should be supported at all levels.

Increased and productive interaction of all nations in this critical area would reinforce our strength in addressing the global threats and challenges and contribute to cementing our common security.

Recent developments occurred in a global economy have reaffirm a reality that the modern world is indeed rapidly – changing and in order to be resilient the national governments should undertake their own social and economic policies given an impact of external factors, assess vulnerable sector of economy and eliminate the shortcomings and challenges.

We that's why have identified food security and domestic markets supply as our strategic goals.

Despite serious commitments and measures undertaken, there are still artificial elements in the consumer market which create hurdles and obstacles in front of the country's economy.

Especially, rise in prices for food, fuel and the man-made restrictions in a transportation of consumer goods through rail-roads seriously damage the consumer markets stability and the social situation in the country.

Along with that, a trend of global price increase for foodstuff complicates achievement of food security in the country. It still remains pressing and urgent.

I would like to emphasize that Tajikistan has real opportunities and an enormous resources, including possesses huge hydro-power resources and safe drinking water which would promote sustainable development.

Rational and reasonable use of these resources would meet the interests of all countries in the region.

Tackling energy shortage challenges still remains as the key issue of the sustainable development of the country.

Hydro-energy sector development is called by the fact of availability of tremendous renewable and green energy sources, and on the other hand it is linked to the lack of oil and gas reserves in the country.

It is not accidental that the RT is selected as a pilot country in the United Nations “Sustainable Energy for All” initiative and in the Millennium Development Goals program.

In addition to these hardships, transport and communication deadlock challenges of Tajikistan as a land-locked country create serious hurdles (impede) in front of our efforts aimed at ensuring sustainable development.

Moreover, hydro-power plants’ reservoirs in the mountainous region regulates seasonal watercourse of the rivers and eventually prevent such hydrologic emergency situations as floods, mudflow and the adverse effect of less-water season.

Favorable climate for agricultural development, emerging infrastructure, revival of the Silk Road, availability of reliable and cheap labor force, social and political stability in Tajikistan, establish robust foundation for the continued economic growth.

Therefore, the Government is determined to undertake specific measures to tackle the issues related to providing food security through supporting agriculture, and agricultural processing sector, encouraging farmers to efficient and rational use of the water resources and land.

At the same time, despite uncertain and a volatile global economy situation and a diminution of management mechanisms in the global market and its financial system, our Government has a strong determination to continuously take efforts to secure economic resilience and improve the living standard of the people and increase medium class segment.

Therefore, I am convinced, that every member of society plays an important role in addressing the challenges related to the implementation of strategic objectives and national priorities. People should be actively involved into the process of an overall development and creating a better life.

### **Distinguished participants of the meeting!**

Today the RT is going through a new phase of social and economic modernization. A document which has been discussed in the meeting today, is a final strategy within the National Development Strategy 2015 in a short-term prospect. Based on the outcomes of its realization, the Tajik Government has to elaborate a new long-term strategy on socio-economic growth of the country.

I am confident that Tajikistan’s development partners will play a remarkable role in the process of an implementation of the strategy and in a blue-printing the next strategy which would reflect directions and the priorities of development in a long run.

With these benign intentions and good wishes, I wish you, all the best and every success.

**Distinguished members of the Council!**

**Dear participants of the meeting!**

We today also intend to conduct Tajikistan's Development Forum on the sidelines of the meeting of our Council.

Prime Minister Akil Akilov will chair Development Forum. Today's session of the National Development Council has come to an end. And I wish all the participants of Tajikistan Development Forum every success in their deliberations and further endeavors.

Thank you!