

Development Coordination Council Tajikistan

Minutes

Meeting of 29 August 2011

Participants

Yodgor Faizov, AKDN/AKF
Husain Gulamhusein, AKDN
Bill Kilby, DFID
Firuz Kataev, EBRD
Eduard Auer, EC
Ulrich Thiessen, EC
Nassim Jawad, FAO
Stefan Erber, GIZ
Zainab Kenjaeva, IFAD
Christopher Miller, IFC
Ari Aisen, IMF
Jiro Iida, JICA

Tojiddin Najmedinov, JICA
Farrukh Kasimov, KfW
Nicolas Guigas, SCO
Malika Ibrohimova, SCO
Ali Vural, Turkish Embassy
Zahira Virani, UNDP
Jose Euceda, UNHCR
Arthur van Diesen, UNICEF
Jeffrey Lehrer, USAID
Jurabek Sattorov, GoT/MEDT
Rosa Charpentier, DCC Secretariat
Tahmina Rahmatova, DCC Secretariat

Chair: Joji Tokeshi, ADB

Next meeting: TBD

1. Joji Tokeshi, DCC Chair, welcomed Ali Vural, Turkish Embassy, who was observing a meeting for the first time.

Agenda item 1 – Chairman's update

Development Forum implementation plans

2. Progress on implementation plans, which were monitored from the DCC side in August, continued to be uneven across sectors. However, it is clear that significant work is being done and there are signs that the government takes the process seriously.
3. The DCC will soon have the opportunity to assess in detail the progress to date on both GoT and DCC sides. Arriving on 5 September, consultant David Pearce will conduct meetings with members of GoT and DCC working groups from 5 to 16 September. **Follow-up: Secretariat to schedule meetings between David and DCC cluster and working group coordinators on 6 to 8 September**

DCC Secretariat

c/o Asian Development Bank Tajikistan, 107 Nozim Khikmat Street , 734001 Dushanbe
+992 37 2210558, 2271895
dccc@untj.org

Upcoming events with GoT

4. Meeting outcomes will be summarized in more detailed progress report to be presented at a meeting on 26 September, which MEDT is arranging with the DCC. The working-level meeting, to which DCC members and key GoT officials members involved in the implementation of PRS-3 and the Development Forum Action Plan will be invited, will be an opportunity to preview results to date of implementation plans and discuss preparations for a full stock-taking Development Forum in November or December of this year.
5. DCC members are invited to the SCISPM-organized national seminar on *Partnership for Tajikistan's Development* to be held on 30 August.
 - a. The event is expected to be ceremonial for the most part and will be an opportunity to convey a message of solidarity on the occasion of the 20th anniversary of Tajikistan's independence.
 - b. The Prime Minister is expected to deliver opening remarks, which will be followed by a presentation by SCISPM Chairman Saidov. The DCC Chairman's statement will provide an update on the Development Forum process and deliver the message that while much has been accomplished, more remains to be done to advance the country's poverty reduction and economic development. **Follow-up: Secretariat to share the draft statement with the DCC; comments are requested by COB 29 August**
 - c. The agenda reflects the balance of one presentation by the government and a corresponding response from the DCC, which represents most bilateral and multilateral organizations.

Agenda item 2 – Update on International Monetary Fund (IMF) program and recent macroeconomic developments

6. Ari Aisen, IMF, delivered a presentation on recent macroeconomic developments, IMF program performance, and fiscal sustainability (see attached presentation). The Council discussed the presentation, highlighting the following:
 - a. If the government chose to do so, the slides on the country's financing requirements and sources could be used to justify a pledging session next year. The DCC would be interested in learning the implications of various measures that may be implemented by GoT to cover the fiscal gap.
 - b. Details on bank lending, specifically the portfolio breakdown, will be available in 2012.
 - c. On the issue of tax revenues, which recently exceeded targets, a new tax code to be developed and implemented in 2012 should help improve revenue intake and the current business environment.
 - d. Any pension arrears would be critical and affect IFIs' budget support. **Follow-up: EC to share related report with IMF**
 - e. TALCO financial reports are expected to be published in September. Quarterly reports on Rogun are available in Russian only on the Ministry of Finance website; the audit has been delayed.

- f. With already high inflation, it was noted that the planned salary increases for civil servants could potentially have additional impact.

Agenda item 3 – Other business

- 7. Members supported the proposal of Nicolas Guigas, SDC, for coordination among interested members on public finance management issues with the already existing sub-working group on tax reform.
- 8. The tax reform sub-working group, led by the IFC, met on 18 August and circulated the minutes and ToRs to all DCC members on 24 August.
- 9. The Chair thanked members for comments received on the Barqi Tajik restructuring plan, which were consolidated and sent to the government on 24 August. The energy working group has requested a meeting with the government, possibly on the week of 12 September, to discuss the proposed comments.
- 10. The launch of the DCC website has been delayed due to technical difficulties, but is expected to be available on the week of 5 September. Once up and running, the website will be an information resource for all members.
- 11. No new comments were received from members on the issue of NGO representation on the DCC. As per the current modality, DCC working groups will continue to interact with NGOs relevant to their sector, the SCO-led working group on CSOs will maintain relations with NGOs, and participation in the plenary will be considered on a case-by-case basis.
- 12. In the wake of Friday's suicide bomb at the UN office in Nigeria, a letter of condolence from the DCC was set to the UN Resident Coordinator on Saturday. With high-profile events coming up, security is a pressing concern. **Follow-up: Secretariat to circulate UN security advisory and condolence letter for information**
- 13. Eduard Auer, EC, clarified that the recent award to the President of Tajikistan from the Bucharest-based European Council on International Relations, which was reported on state television, has no links to the European Union.
- 14. The next DCC meeting will be scheduled before the 26 September meeting with MEDT.