



STATE COMMITTEE ON INVESTMENTS AND STATE
PROPERTY MANAGEMENT OF THE REPUBLIC OF TAJIKISTAN

FOREIGN AID REPORT

2013

WITH THE SUPPORT OF
THE UNITED NATIONS DEVELOPMENT PROGRAMME IN TAJIKISTAN
AND
THE UNITED KINGDOM DEPARTMENT FOR INTERNATIONAL DEVELOPMENT



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DFID Department for
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DUSHANBE - 2014

The State Committee on Investments and State Property Management of the Republic of Tajikistan would like to express its appreciation to the United Nations Development Programme (UNDP) in the Republic of Tajikistan, the United Kingdom Department for International Development, and consultants of UNDP 'Support to Effective National Aid Coordination and Monitoring' project for their support in preparing this Foreign Aid Report 2013.

FOREIGN AID REPORT 2013

This report was prepared by the State Committee on Investments and State Property Management of the Republic of Tajikistan (SCISPM) with the support of the ‘Support to Effective National Aid Coordination and Monitoring’ project, funded by Department for International Development (DFID) and implemented by UNDP.

This report contains information on foreign aid as of 31 December 2013.

The information on foreign aid in the present report is based on the data provided by development partners through updating the Aid Information Management System of SCISPM.

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FOREIGN AID FOR TAJIKISTAN IN FIGURES

Analysis of the updated data in the Aid Information Management System (AIMS) in 2013 made it possible to highlight the following trends in the foreign aid sphere in Tajikistan:

- in 2013, total liabilities of development partners as compared to 2012 decreased by US\$ 42,467 thousand, or 11.8%. Decrease in liabilities was observed in all three groups of the development partners: bilateral, multilateral and non-governmental international organizations;
- the annual volume of aid to Tajikistan for the period 2002-2009 increased, reaching a peak in 2009 at US\$ 588,813 thousand. In 2010-2012, a decrease is noted in volume of foreign aid, while a slight growth is noted in 2013. During the last three years reduction of the annual volume of foreign aid totalled about 15%.
- in recent years a decrease in the amount of aid on the loans is noted, whereas aid in the form of grants has a tendency to grow. In 2013, the proportion of grants in the overall aid structure prevails (US\$ 366,943 thousand or 78.4%) over the share of loans (US\$ 101,385 thousand or 21.6%), which is a favourable trend in the process of aid provision to the country's socio-economic development;
- assistance from donor countries through bilateral cooperation reached its highest volumes in 2008 at US\$ 388,749 thousand, but decreased in subsequent years and in 2013 totalled US\$ 198,873 thousand. At the same time, from 2007 assistance from emerging donors increased, particularly from China, allocated US\$ 996,991 thousand during 2007-2013. Aid from traditional donors increased. In 2010 it has reached its peak at US\$ 194,200 thousand, but for the last three years this aid has decreased. In 2013 it totalled US\$ 156,715 thousand. In the structure of aid from bilateral organizations, grants followed a falling trend, while the share of aid through loans grew. Thus, for the period of 2002-2013, the annual share of aid from bilateral organizations in the total volume of grant aid fell from 50.3% to 37.8%, and in the total volume of preferential loans increased from 1.3 to 59.3%.
- assistance from multilateral aid over the period of 2002-2013 increased from US\$ 125,219 to US\$ 254,195 thousand. In the structure of multilateral aid the share of aid in the form of grants is decreasing, with an increasing share of aid in the form of loans. Thus, over the period of 2002-2013 the share of multilateral organizations in the grant aid component increased from 40% to 58%, while the share of aid in the total volume of loans provided dropped from 98.7 to 40.7%;
- at the regional level, the largest volume of foreign aid in 2013 was implemented through national level projects, the share of which accounted for 36.5% of all projects. Khatlon region received 32.6% of total aid, RRS, 12.0%, Sughd region, 10.1%, GBAO, 4.7% and Dushanbe, 4.1%;
- for the period of 2002-2013 foreign aid per capita increased from US\$ 35.9/ person to US\$ 57.4 /person, with a maximum value for this indicator observed in 2009 and amounting US\$ 78.3/person. By regions the indicator for 2013 is as follows: GBAO – US\$ 104,8/person, Khatlon region – US\$ 52.6/person, RRS – US\$29.8/person, Dushanbe – US\$ 24.8/person, Sughd region – US\$ 19.9/person;
- the proportion of aid in Gross Domestic Product (GDP) for the period of 2002-2013 decreased from 19 to 5.5% mainly due to a steady growth in GDP, the annual average of which in 2002-2013 was 7.7%;
- in the context of sectors, about 40% of all aid for 2013 was directed to two priority infrastructure sectors: Transport (27.2%) and Energy (12.5%). Aid to the development of the Government Administration sector was 8.6%, while Agriculture and Irrigation received 7.4%. In the development of the social sectors, one-third of aid was directed: Education received 8.4% of aid, Health received 11.7%, Social Welfare and Labor - 6.7% and Water, Sanitation and Housing and Management Services (HMS) - 6.5%. The proportion of aid provided to the support and development of the private Sector and industry was 3.8%;
- during the last three years the volume of foreign aid in all sectors – other than the two social sectors, Social Welfare and Labor and Water and Sanitation HMS and also Private Sector and Industry – decreased, although in this period there was an increase in the volume of foreign aid;
- more than 54% of the total aid attracted to Tajikistan is provided through joint investment projects. The total portfolio of joint investment projects under implementation in 2013 amounted to 61 projects, with a total of US\$ 1,842,237 thousand invested, of which US\$ 1,689,332 thousand were mobilized from external resources as loans and credits (91.70%), US\$ 148,219 thousand were the contribution of the Government of the Republic of Tajikistan (8.05%) and US\$ 4,686 thousand represent other assets (0.25%). The largest proportion of the portfolio is accounted for the infrastructure sectors: Transport (50.0%) and Energy (19.5%). The investment portfolio also included the following sectors: Agriculture and Irrigation (11.5%), Water, Sanitation and HMS

(6.7%), Education (4.9%), Environment (3.9%), Health (2.2%), Government Administration (0.7%) and Social Welfare and Labor (0.1%);

- implementation of investment funds during 2002-2008 increased, but from 2009 aid provision through the investment projects has dropped. During this period the proportion of grants in the total disbursed investment funds increased from 15.8% in 2002 to 60.2% in 2013, while the proportion of loans decreased from 84.2% in 2002 to 39.8% in 2013. Utilization of the investment funds in 2013 increased by US\$ 65,571 thousand or 34.7% compared to the previous year;
- total disbursements for implementation of the Living Standards Improvement Strategy for 2013-2015 (LSIS) in 2013 amounted to US\$ 206.471 thousand (44.1% of the total aid by development partners in Tajikistan during the reporting period). More than 76% of disbursements under the LSIS were implemented in the 'real economy' sectors, namely in Transport, Energy, and Agriculture and Irrigation, with about 12% in the social sectors. In 2013, through the collaboration with development partners 63 of 272 measures of the LSIS Matrix for 2013-2015, stipulating attraction of foreign aid were implemented;
- during the implementation of the LSIS 2013-2015, aid provided for implementation of Poverty Reduction Strategy (PRS) measures for 2010-2012 continued to flow in, and amounted to US\$ 33,546 thousand.

1

INTRODUCTION

The National Development Strategy to 2015 (NDS) is the main strategic document of the Republic of Tajikistan, defining the priorities for the long-term and medium-term development of the country, and its medium-term development strategies. Tajikistan is currently in the final implementation stage of the NDS, the goals and objectives of which are set out in the LSIS 2013-2015. These two strategic documents are aimed at transforming Tajikistan into a democratic and prosperous country, where all members of society equally enjoy the benefits of social and economic development.

Implementation of the LSIS Action Matrix contained in the strategic documents requires substantial resources, the basis of which are the state budget. Foreign aid provided by the international community is also a crucial part of development assistance to Tajikistan. Attracting foreign aid is a fundamental focus for the country's leadership and an important area of cooperation and dialogue between the government and development partners. In further promoting cooperation and continuing constructive dialogue, the availability of comprehensive information on the utilization of foreign aid is a prerequisite.

The current Foreign Aid Report (FAR) is a comprehensive overview of the provision and management of aid in the Republic of Tajikistan in 2013. The report was prepared by the State Committee on Investment and State Property Management of the Republic of Tajikistan (SCISPM), with the technical support of the United Nations Development Programme (UNDP) provided under 'Support to Effective National Aid Coordination and Monitoring' project funded by the Department for International Development (DFID) of the United Kingdom (UK). The report examines changes in the assistance process and structure over recent years.

The FAR aims to provide state management bodies, development partners and civil society with information on the status of foreign aid in Tajikistan.

Moreover, the report aims to help evaluate the impact of aid from donor countries, international organizations and financial institutions in Tajikistan in 2013.

The practical purpose of the FAR is in increasing aid awareness among stakeholders and organizations, preventing duplication of funding, streamlining cooperation between stakeholders, and analysing the current aid situation; in particular, assessing to what extent foreign aid contributes to overcoming of poverty in, and promotion of the development of Tajikistan.

The information contained in the FAR was collected and processed using the Aid Information Management System (AIMS) launched in 2012 by SCISPM, with the support of the UNDP implemented and DFID funded Project mentioned above. Based on the information provided to AIMS by development partners on aid projects, the analysis enables tailor-made enquiries to be made and tables and graphs generated on demand. The report is also available on the official website of SCISPM (www.amcu.gki.tj), thereby ensuring broad stakeholder access to foreign aid related information.

Additional data on the geographical allocation (by region) of foreign aid is graphically represented in the Foreign Aid Map of the AIMS. Information – in text or diagrammatic form – can also be obtained on the structure of aid by sector or by region. The AIMS provides detailed information on the objectives, tasks, implementation status, key indicators, and alignment with the PRS/LSIS for each individual project. The updated AIMS information enables a comprehensive analysis of the process of aid attraction and management to be conducted as the foundation for the FAR.

FAR 2013 contains analysis of aid from donor countries, trends in aid attraction and management processes in Tajikistan, priorities of development partners, peculiarities of aid distribution by types of disbursement and by region, and an overview of the investment project portfolio.

A significant part of the report concerns analysis of aid distribution and management by economic sector, including: analysis of aid trends for 2002-2013 for every sector, by commitments and disbursements, loans and grants, by groups of international organizations, and aid flows by funding sources and implementing agencies. This year, SCISPM sent to all relevant ministries and agencies, and development partners, extensive information on external assistance allocated to individual sectors of the economy in 2013.

A separate section is devoted to analysis of aid flows for LSIS implementation during 2013-2015.

It is anticipated that the FAR 2013 will be a vital tool in promoting inclusive dialogue on development cooperation in Tajikistan.

The SCISPM is grateful to all development partners for the timely updating of AIMS information and for their cooperation in improving aid transparency and effectiveness in Tajikistan.

2

METHODOLOGY

The report was drafted in accordance with annual reporting procedures and covers the period from 1 January 2013 to 31 December 2013. The report also reflects integrated information on foreign aid for the period of 2002-2013.

This report contains updated Aid Information Management System data. AIMS is based on a specific methodology for collection, storage, processing and dissemination of aid-related data.

The core of the system is a database that supports the processing of information and the drafting of reports for dissemination among users in real-time.

The AIMS consist of information on aid programmes and projects implemented in Tajikistan which includes information on aid projects since 2002, as well as information on aid from virtually all development partners working in the country (governments of overseas countries, international financial institutions, international organizations, foundations, etc). AIMS is in fact the most comprehensive source of information on aid programs and projects implemented in Tajikistan. It should be noted however that not all development partners provide quality and timely information updates, which negatively impacts the completeness of information on aid projects implemented in Tajikistan.

For data collection and processing, the AIMS standard report form for project progress is used. The form includes fields for project commitments and disbursement by sources of financing and by partner, project implementation period, allocation by expenditure categories, sector and regions.

The structure and content of the AIMS input form make it possible to qualitatively improve analysis of the situation in the foreign aid sphere, as along with financial performance indicators, it provides information on goals, objectives and implementation status of the projects, the key indicators of project progress, Paris Declaration and global Partners indicators, and alignment with projects/agreements related to LSIS measures.

The report also contains tables and charts providing information on the extent of commitments and disbursement of aid by region, sectors, funding sources and linkages with LSIS. All tables and graphs are developed and prepared using AIMS specific requests.

The report was made possible with the efficient support of development partners operating in Tajikistan, the majority of which updated project-related information in AIMS in a complete and timely manner.

However, there were instances when incomplete forms were submitted. The missing data included information on projects or agreements in progress, data on commitments and disbursements, break-down by year, expenditure categories and information on sectors and regions, as well as linkages with the LSIS.

Problems related to incomplete data have created complications in updating AIMS and drafting the present report since identification of missing information and verification of provided data is time consuming process. This in turn can delay finalisation of the report. .

We hope that development partners will remain as active during the following AIMS updates. Data collection, processing and analysis is expected to continuously improve, hence we will be grateful to development partners for their comments and suggestions.

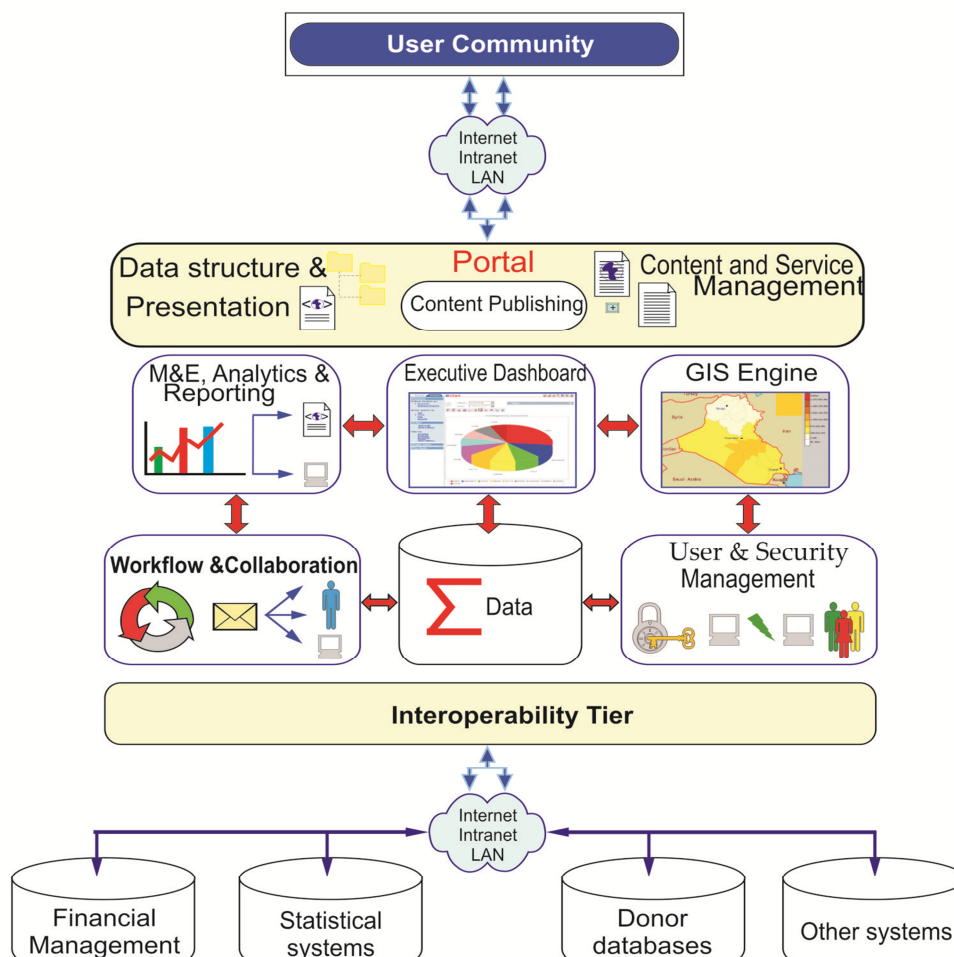
SCISPM appeals to all development partners to actively participate in the process of updating information and ensuring qualitative input for completing AIMS form, annually **no later than February 15**.

3

AID INFORMATION MANAGEMENT SYSTEM

The launch of the Aid Information Management System (AIMS) in 2012 began a new chapter in the development of foreign aid coordination in Tajikistan. AIMS was developed and introduced by SCISPM with technical support of UNDP through ‘Support to Effective National Aid Coordination and Investments Promotion’ project funded by DFID. Figure 1 shows how AIMS operates: it is an automated system based on modern information and communication technologies, designed to collect, store, update, process, analyze and present foreign-aid related information to stakeholders in response to their requests.

Figure 1. The Aid Information Management system (AIMS)



The system ensures real-time (online) data collection and updating of information on aid projects.

The system has streamlined the process of data collection on projects and aid agreements, upgraded the quality and timeliness of data, and provided access to information for all stakeholders. The introduction of AIMS has improved the ‘division of labor’ in the process of data collection, reporting, and monitoring. Prior to AIMS, all information on each project/agreement was entered by SCISPM staff, taking considerable time. Now the information is entered directly by development partners in real-time and from any location. Moreover, efficiency and accuracy of AIMS information increased.

The system also benefits from the continuity ensured through the smooth migration of aid information from the previous database to the new system. Thus, AIMS information contains data on all aid projects and agreements in Tajikistan from 2002 until the present time.

AIMS is fully compliant with the principles of partnership declared in the Paris Declaration on Aid Effectiveness and by the Busan Partnership for Effective Development Co-operation. In summary, AIMS:

- is a government tool that promotes coordinated efforts aimed at the country's development (*principle of Ownership*);

- allows analyzing and reporting on aid in accordance with national policies and priorities (*principle of Alignment*);
- ensures provision of information on joint activities, thereby promoting harmonized, transparent and efficient development activities (*principle of Harmonization*);
- enables obtaining information on the results of development work, thereby promoting effective decision-making (*principle of Results-Based Management*);
- promotes increased accountability and transparency in the use of resources for development (*principle of Mutual Accountability*).

AIMS is the source of information on foreign aid utilization for all stakeholders, and a tool to prevent duplication in reporting and inconsistencies of information on aid flows, thereby improving the comprehensiveness and accuracy of information.

The system enables the monitoring of aid alignment with PRS priorities: based on information available on the goals, objectives and measures of the two PRS for 2007-2009 and 2010-2012 contained in AIMS, as well as information about projects/agreements entered by development partners.

The system provides users with opportunities to obtain data and information (and allows the creation of instant analytical tables, diagrams, and graphic reports) necessary for analysis and decision-making, including on:

- the number of implemented projects and agreements, their cost, terms and duration, sources of financing, and executing and implementing agencies;
- development partners' current commitments;
- extended loans and grants, and their use;
- distribution of aid by mode of disbursement;
- aid disbursement by development partners;
- project implementation by economic sector and by region;
- development partners' disbursed aid within the PRS framework;
- other information as required.

The system is the key foreign aid coordination and monitoring tool, allowing integrated and comprehensive analysis and assessment of the aid environment, and the undertaking of coordinated and agreed measures to increase aid efficiency and its targeted use.

4

FOREIGN AID REVIEW*

* This Report contains information which does not cover the assistance from some of the international organizations which did not provide relevant data.

4.1. DONOR COUNTRIES AID ANALYSIS

The requirements for promoting sustainable development in Tajikistan include the proactive attraction of foreign aid to the country. Hence Tajikistan cooperates with donor countries, multilateral financial institutions, non-governmental organizations (NGOs), foundations and others.

Donor countries provided assistance to Tajikistan by bilateral inter-governmental agreements, through governments, embassies, agencies for cooperation and development, banks and other government agencies.

Table 1 provides details of foreign aid to Tajikistan by donor countries for the period of 2002-2013, within bilateral cooperation. During the reporting period, donor countries provided US\$ 2,527,388 thousand. About 40% of the bilateral organizations' aid came from China (US\$ 1,000,430 thousand). Major donors also include United States of America (US\$ 307,234 thousand or 12.2%), Japan (US\$ 251,498 thousand or 10%), Germany (US\$ 186,871 thousand or 7.4%) and Switzerland (US\$ 135,603 thousand or 5.4%) and etc.

Figure 2. Volume of aid provided by donor countries during 2002-2013

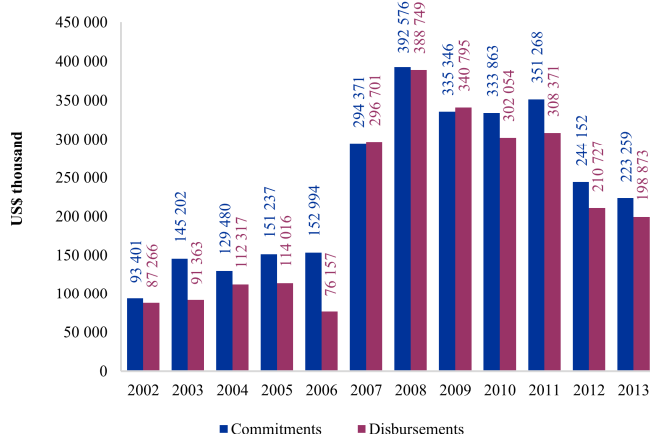


Figure 2 shows the total aid provided by donor countries by commitments and disbursements for the period 2002-2013.

An overall increase in donor countries' annual disbursement of aid was observed, with a peak in 2008 when the amount of aid totaled US\$ 388,749 thousand. During the period 2009-2013, the volume of aid decreased, predominantly due to the global financial and economic crisis.

Table 2 provides details of donor countries by commitments and disbursements in 2013.

The Figure 3 reflects the same details as Table 2, however in descending sequence of annual commitments from donor countries.

In 2013, donor countries provided aid in the value of US\$ 198,873 thousand (89.1% of commitments). Most assistance was provided by China (US\$ 412,158 thousand or 21.2%). Other major donors included Germany (US\$ 27,974 thousand or 14.1%), Japan (US\$ 24,745 thousand or 12.4%), and Switzerland (US\$ 19,268 thousand or 9.7%) and etc.

Table 3 shows the amount of aid provided by donor countries in 2013 by loans and grants.

Figure 3. Donor countries aid pledged and actual disbursement in 2013

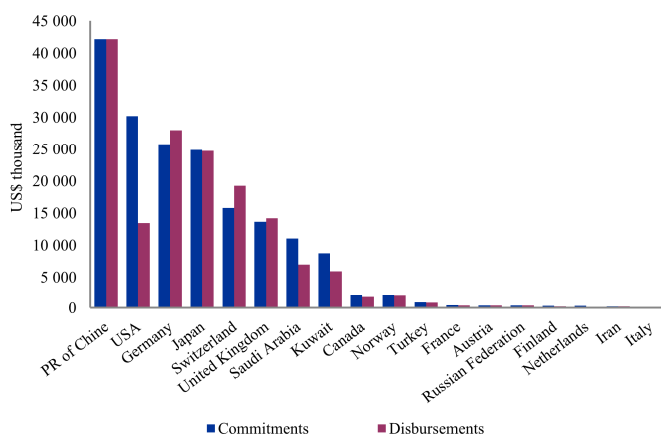


TABLE 1. The volume of donor countries' disbursements as of 2002-2013

Donor countries	Disbursements (US\$ 000s)													% of Total
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total	
Australia				0	0				105		154		259	0,01%
Austria							0	105	75		29	385	594	0,02%
United Kingdom	3 889	775	1 996	2 444	3 313	2 925	5 370	4 125	4 624	8 729	11 541	14 226	63 956	2,5%
Germany	3 884	3 922	5 652	4 237	2 485	3 522	15 345	18 570	20 802	41 287	39 191	27 974	186 871	7,4%
Denmark		10	12	0			47						69	0,003%
India	6 020	300	1 110	1 980	0		2 000	685	500				12 595	0,5%
Iran			10 000	6 198	6 724	5 132	3 145				900	200	32 300	1,3%
Italy		40	369	626	265	55	41	343	227	96	65	13	2 139	0,08%
Canada	75	1 348	3 418	3 290	3 155	4 600	3 263	1 486	875	544	462	1 712	24 229	1,0%
China	1 842	1 597	0	0	0	223 318	277 246	189 339	107 854	129 452	27 624	42 158	1 000 430	39,6%
Kuwait	718	3 328	4 871	6 651	508	3 207	7 124	5 621	1 633	432	3 524	5 953	43 571	1,7%
Netherlands	11	25	336	449	178	18	913	2 297	1 047	1 086	25	30	6 412	0,3%
Norway		70	64	0	0	0	138	1 131	2 916	3 527	2 992	1 946	12 783	0,5%
Russian Federation	0	0	332	10 027	0	532	1 766	800	87		771	389	14 703	0,6%
USA	51 792	28 241	23 219	18 728	14 629	10 462	8 269	23 051	34 595	43 398	37 412	13 437	307 234	12,2%
Saudi Arabia	0	1 356	5 254	2 158	4 933	2 887	127	400	298	128	14 955	6 996	39 492	1,6%
Turkey			86	824	3 283	2 255	2 015	921	2 536	1 880	1 071	847	15 718	0,6%
Finland		399	213	29	38	34		55	617	217	260	202	2 064	0,08%
France	57	1 430	1 436	0				0		0	96	352	3 370	0,1%
Czech Republic	0	0	100	21	123	50	92						386	0,02%
Switzerland	6 934	6 981	8 709	11 166	8 928	9 948	13 725	11 880	12 683	12 434	12 948	19 268	135 603	5,4%
Sweden	236	656	3 131	2 262	1 345	6 178	8 940	7 273	3 168	1 218	56		34 462	1,4%
Japan	2 732	13 381	5 534	7 725	10 623	6 240	17 259	30 719	73 140	36 935	22 463	24 745	251 498	10,0%
Total	87 266	91 363	112 317	114 016	76 157	296 701	388 749	340 795	302 054	308 371	210 727	198 873	2 527 388	100,0%

TABLE 2. The volume of donor countries' commitments and disbursements as of 2013

Donor countries	Indicators for 2013				
	Commitments (US\$ 000s)	% of total	Disbursements (US\$ 000s)	% of total	% of commitments
Austria	390	0.2%	385	0.2%	98.7%
United Kingdom	13 666	6.1%	14 226	7.2%	104.1%
Germany	25 775	11.5%	27 974	14.1%	108.5%
Iran	200	0.1%	200	0.1%	100.0%
Italy			13	0.01%	
Canada	2 084	0.9%	1 712	0.9%	82.2%
China	42 158	18.9%	42 158	21.2%	100.0%
Kuwait	8 744	3.9%	5 953	3.0%	68.1%
Netherlands	309	0.1%	30	0.02%	9.7%
Norway	1 970	0.9%	1 946	1.0%	98.8%
Russian Federation	389	0.2%	389	0.2%	100.0%
USA	30 213	13.5%	13 437	6.8%	44.5%
Saudi Arabia	11 022	4.9%	6 996	3.5%	63.5%
Turkey	848	0.4%	847	0.4%	99.8%
Finland	316	0.1%	202	0.1%	63.8%
France	400	0.2%	352	0.2%	87.9%
Switzerland	15 807	7.1%	19 268	9.7%	121.9%
Japan	24 857	11.1%	24 745	12.4%	99.6%
Total	223 259	100.0%	198 873	100.0%	89.1%

In 2013, donor countries provided aid in the form of grants amounting to US\$ 138,793 thousand (or 69.8% of aid), while 'soft' loans totaled US\$ 60,079 thousand (30.2%). Significant grants have been provided by Germany (US\$ 25,180 thousand or 18.1% of total grants), Japan (US\$ 24,745 thousand or 17.8%), Switzerland (US\$ 19,268 thousand or 13.9%), and the UK (US\$ 14,226 thousand or 10.2%). Soft loans were provided by China, amounting to US\$ 42,158 thousand (70.2% of total loans in 2013), Saudi Arabia (US\$ 6,996 thousand or 11.6%), Kuwait (US\$ 5,953 thousand or 9.9%) and Germany (US\$ 2,793 thousand or 4.6%).

TABLE 3. The volume of donor countries' disbursements by grants and loans as of 2013

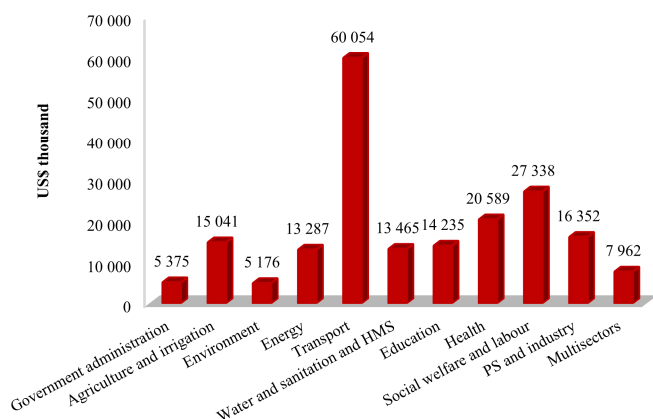
Donor countries	Disbursements (US\$ 000s) in 2013		
	Grants	Loans	Total
Austria	385		385
United Kingdom	14 226		14 226
Germany	25 180	2 793	27 974
Iran	200		200
Italy	13		13
Canada	1 712		1 712
China		42 158	42 158
Kuwait		5 953	5 953
Netherlands	30		30
Norway	1 946		1 946
Russian Federation	389		389
USA	13 437		13 437
Saudi Arabia		6 996	6 996
Turkey	847		847
Finland	202		202
France	352		352
Switzerland	19 268		19 268
Japan	24 745		24 745
Total	138 793	60 079	198 873

Table 4 provides information on disbursements made by donor countries by sectors in 2013. The information is also presented graphically in Figure 4.

TABLE 4. The volume of donor countries' disbursements by sectors as of 2013

Donor country	Disbursements (US\$ 000s) for 2013											Total
	Government Administration	Agriculture and Irrigation	Environment	Energy	Transport	Water, Sanitation and housing-municipal services	Education	Health	Social Welfare and Labor	Private Sector and Industry	Multisectors	
Austria		117		268								385
United Kingdom	1 371	3 373	373	210					135	7 805	959	14 226
Germany	430	5 121	1 292	3 935			5 889	4 779	227	5 918	382	27 974
Iran					200							200
Italy									13			13
Canada			58					1 581			73	1 712
China				3 689	38 469							42 158
Kuwait		2 947			3 006							5 953
Netherlands							16	14				30
Norway			932			100	142	475	236		61	1 946
Russian Federation	134							255				389
USA	715	5				2 000	3 946	3 528	48		3 195	13 437
Saudi Arabia					3 655		2 917	425				6 996
Turkey	40	94		12			26	370	69	35	201	847
Finland										202		202
France							1	350				352
Switzerland	1 197	947	560	5 144		2 766		4 181	1 116	879	2 477	19 268
Japan		241			12 545	8 511	328	2 300	821			24 745
Total	5 375	15 041	5 176	13 287	60 054	13 465	14 235	20 589	27 338	16 352	7 962	198 873

Figure 4. Aid provided by donor countries in 2013 by sector



In 2013, the largest amount of aid went to the Transport sector and amounted to US\$ 60,054 thousand (30.2% of the total aid provided by donor countries in 2013).

The major donor in this sector was China, which provided US\$ 38,469 thousand (64.1% of total aid to the sector in 2013), for the project “Dushanbe-Kulma Rehabilitation”, Dushanbe-Dangara (US\$ 256,279 thousand).

Japan provided US\$ 12,545 thousand for developing the Transport sector (20.9% of total aid for the sector in 2013). Japanese funds included for implementing the project “*Rehabilitation of Kurgan Tyube - Dusti Road - Phase II*” (US\$ 23,701 thousand) and “*Project for Improvement of Equipment for Road Maintenance in Khatlon Region and Regions of Republican Subordination*” (US\$

13,440 thousand).

Health sector development received US\$ 20,589 thousand from donors in 2013 (10.4% of total aid provided by donor countries in the reporting period). The highest volume of aid to the Health sector was provided by Germany (US\$ 4,779 thousand or 23.2% of total annual disbursements to the sector). The funds from Germany were invested in implementing the project “Health Sector Program I” (with a total value of US\$ 10,000 thousand), “Tuberculosis control program IV” (with a total value of US\$ 6,500 thousand), “Treatment of polio-patients and polio-prevention” (with a total value of US\$ 5,000 thousand).

Switzerland supported the Health sector with funds of US\$ 4,181 thousand (20.3% of Health sector funds). The funds were used for such projects as ‘*Health Sector Support and Reform*’, ‘*Support to Health Sector Reform and Family Medicine*’, ‘*Tajik-Swiss Health Reform and Family Medicine Support Project, Phase 3/4* and ‘*Family Medicine and Community Health*’, “*Medical Education Project, Phase 2*”.

In the Energy sector, donor countries provided US\$ 13,287 thousand (6.7% of the total volume of aid in 2013). The major donor in this sector was Switzerland, providing US\$ 5,144 thousand (38.7% of total aid to the sector in 2013) for implementation of the project “Energy loss reduction” Project, Open Stock Holding Power Company (OSHPC) “Barqi Tojik” (US\$ 29,134 thousand), “Pamir Private Power project- phase II” (US\$ 4,400 thousand).

In 2013 China provided aid to the Energy sector amounting US\$ 3,689 thousand (27.8% of total aid to the sector). These funds supported implementation of projects “Reconstruction of Regar - 500 kV” (US\$ 36,887 thousand).

In the Education sector, donor countries provided US\$ 14,235 thousand (7.2% of the total volume of aid in 2013), Water, Sanitation and HMS - US\$ 13,465 thousand (6.8%), Private sector and Industry - US\$ 16,352 thousand (8.2%).

Table 4 shows that aid from Germany covers almost all economy sectors of Tajikistan, but the most part of it directed to development of following sectors: Private Sector and Industry (21.2% of the total volume of aid to the country in 2013), Education (21.1%), Agriculture and Irrigation (18.3%) and Environment (4.6%).

China provides aid to development of two infrastructure sectors – Transport (91.2%) and Energy (8.8%).

Aid from Switzerland basically directed to development of Energy sector (26.7%), Government Administration (6.2%), and social sectors – Health (21.7%), Water, Sanitation and HMS (14.4%), Social Welfare and Labor (5.8%).

Japan mostly provides aid to Transport (50.7%), Water, Sanitation and HMS (34.4%) and Health (9.3%) sectors development.

Aid from the United Kingdom is mainly directed to development of Government administration (9.6%) and Agriculture and Irrigation (23.7%) sectors. About 55% aid from the United Kingdom supports Multisector.

Table 5 presents details of the total aid provided by donor countries, and aid provided within the LSIS framework in 2013.

Donor countries provided aid for LSIS in 2013 to the amount of US\$ 77,575 thousand (accounting for 39.0% of total aid provided by donors in 2013). Out of 315 projects that were implemented in 2013 with donor aid, only 60 projects or 19% were implemented in accordance with LSIS. Within these projects 39 measures of LSIS Action Matrix were financed.

TABLE 5. The volume of total aid under LSIS as of 2013 (US\$ thousand)

Donor countries	Indicators for 2013		
	Total disbursements (US\$ 000s)	Disbursements provided within LSIS framework (US\$ 000s)	% of total disbursements
Austria	385	268	69,6%
United Kingdom	14 226	1503	10,6%
Germany	27 974	6583	23,5%
Iran	200	200	100,0%
Italy	13		0,0%
Canada	1 712	391	22,8%
China	42 158	42158	100,0%
Kuwait	5 953	5953	100,0%
Netherlands	30	11	36,7%
Norway	1 946	79	4,1%
Russian Federation	389	240	61,7%
USA	13 437	5140	38,3%
Saudi Arabia	6 996	6571	93,9%
Turkey	847	10	1,2%
Finland	202	202	100,0%
France	352	206	58,5%
Switzerland	19 268	4063	21,1%
Japan	24 745		0,0%
Total	198 873	77575	39,0%

Table 5 shows that aid provided by Iran, China, Kuwait and Finland was in accordance with the LSIS. Saudi Arabia aid within the framework of LSIS totaled 93.9%, Austria 69.6%, Russian Federation 61.7% of aid was within the framework.

4.2. ANALYSIS OF COMMITMENTS AND DISBURSEMENTS BY FUNDING SOURCES

A significant financial indicator, which characterizes foreign aid, is the total commitments and disbursement for projects (agreements). It should be noted that one project may entail one or more agreements between donor organizations, implementing agencies and/or beneficiaries. During the reporting period, some projects have been completed or are near completion, while others are ongoing and will continue to be implemented in subsequent years.

Table 6 presents a summary of commitments and actual disbursements for all active and closed agreements as of the end of 2013, cumulative from the start of implementation.

TABLE 6. The volume of summarized commitments and actual disbursement by all acting and closed agreements as of 31.12.2013 (US\$ thousand)

Indication Name	Number of agreements	Total commitments on agreements (US\$ 000s)	Actual disbursement on agreements as at 31 December 2013 (US\$ 000s)	% of commitments
Total foreign aid including:	729	2396529	1460928	61.0
Active agreements	354	1814281	908787	50.0
Closed agreements	375	582248	552141	94.8

In 2013, there were 555 projects implemented, of which 729 agreements were fulfilled with the support of foreign aid. Out of this, 375 agreements were completed during 2013, and 354 agreements remain active in 2014 (with some to be implemented in subsequent years).

Total commitments for all agreements implemented during 2013 amounted to US\$ 2,396,529 thousand, including: US\$ 1,814,281 thousand (or 75.7%) under active agreements, and US\$ 582,248 thousand (24.3%) for closed agreements. Disbursements under active agreements amounted to 50.0% of total commitments.

An important characteristic of development partners' activities are the level of their commitments, which are specifically reflected in the relevant agreements. Information on commitments of each development partner in 2013 is presented in AIMS.

A summary of of total commitments in 2013 by three different groups of international organizations (bilateral, multilateral and NGO) is provided in Table 7.

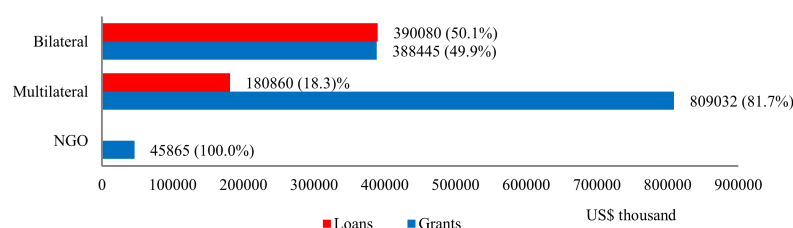
In 2013, both total commitments and disbursements from bilateral, multilateral and non-governmental international organizations decreased due to the volume of commitments against closed agreements exceeding commitments against new agreements. The total decrease of commitments was US\$ 242,467 thousand (11.8%).

TABLE 7 [€]. The volume of commitments by the group of international organizations (US\$ thousand)

International Organizations	Commitments on active agreements as at 1 January 2013 (US\$ 000s)	New commitments for the reporting year (US\$ 000s)	Closed ^υ commitments for the reporting year (US\$ 000s)	Commitments on active agreements as at 31 December 2013 (US\$ 000s)
Bilateral	897267	105371	224113	778524
Multilateral	1086019	230556	326683	989892
NGO[⊘]	73462	3854	31451	45865
Total	2056748	339781	582248	1814281

The summarized indicators of the volumes of commitments of each group of international organization and its share in the total amount are provided in the last two columns of Table 8. A graphical representation of commitments by the three types of organization is provided in Figure 5.

Figure 5. Structure of active commitments as at 31 December 2013



Multilateral organizations account for the largest share of commitments in 2013, with 54.6% of all commitments. Bilateral organizations provided 42.9% of commitments, while NGOs and other international organizations and funds were responsible for 2.5% of total commitments.

At the end of 2013, total amount of loans has reached US\$ 570,940 thousand (31.5% of total commitments), and total grants US\$ 1,243,341 thousand (68.5% of total commitments). At the end of the reporting year, the volume of commitments for grants was more than twice that of loans.

TABLE 8. Commitments under active agreements as of 31.12.2013

International Organizations	Loans			Grants			Total	
	US\$ 000s	* %	** %	US\$ 000s	* %	** %	US\$ 000s	% of commitments
Bilateral	390080	68.3	50.1	388445	31.2	49.8	778524	42,9
Multilateral	180860	31.7	18.3	809032	65.1	81.7	989892	54,6
NGO	0	0	0	45865	3,7	100	45865	2,5
Total	570940	100	31.5	1243341	100	68.5	1814281	100

Note to Table 8:

* Share of commitments of each group of funding sources in the total amount of commitments by loans and grants (%)

** Share of loans and grants for each group of funding sources (%).

The major proportion of commitments in loans came from bilateral organizations, whereas in previous years, loans to Tajikistan were largely provided by multilateral international financial institutions. While the share of multilateral organizations accounted for 88% of the credit component of foreign aid in 2005, it dropped to 31.7% in 2013.

Multilateral organizations accounted 65.1% of grants, bilateral organizations accounted 31.2% with total commitments, total share of NGO was 3.7%.

Note to Table 7:

[€] - the total in each column may not be identical to manual calculations of each column item due computer rounding of numbers.

^υ - closed (completed) commitments under agreements are those for which the validity period ended (expired) in the reporting year.

[⊘] hereafter NGO refers to commitments and disbursements of NGOs and other private international organizations and funds.

Figure 6. Commitments under active agreements during 2002-2013

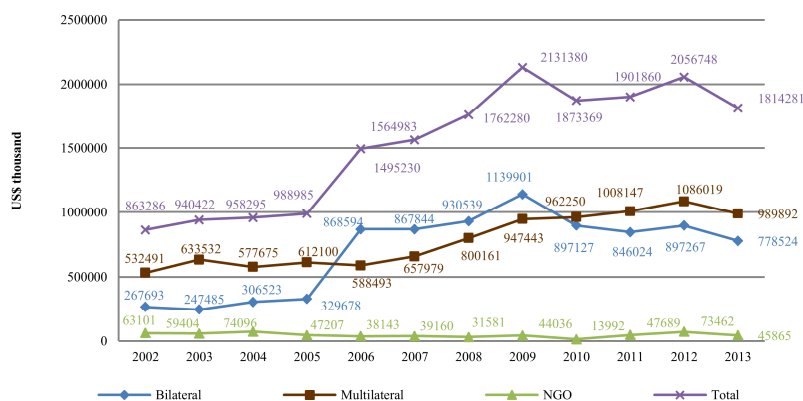


Figure 6 shows commitments under active agreements at the end of each year during 2002-2013.

During the reporting period, the volume of commitments from general, bilateral and multilateral organizations under active agreements have increased. During the same period commitments from NGOs were unstable. In 2013, commitments of bilateral organizations fell to US\$ 118,743 thousand compared to 2012; while those of multilateral organizations decreased by US\$ 96,121 thousand in the same time period, and NGO commitments decreased by US\$

27,597 thousand. Overall the total commitments of partners in 2013 compared to 2012 were on decline.

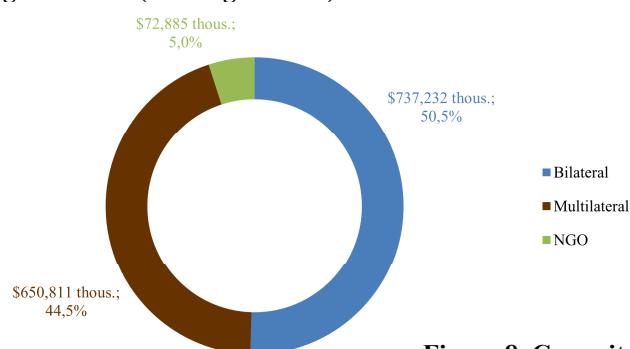
AIMS provides detailed information on commitments and disbursement for all agreements, broken down by funding sources in 2013. The peculiarity of this information is that its analysis guide planning and decision making on how to use the aid provided by development partners by each project (agreement). Table 9 summarizes the commitments and actual disbursement (the accumulated total since the start of the implementation of the agreement), with a breakdown by major groups of international organization as of the end of 2013.

The table 9 shows that existing commitments totaled US\$ 2,396,529 thousand, and disbursements were US\$ 1,460,928 thousand (or 61.0% of total commitments).

TABLE 9. Indicators on all agreements as of 31.12.2013 (US\$ thousand)

International Organizations	Commitments (US\$ 000s)	% total commitments	Disbursements (progressive total) as at 31 December 2013 (US\$ 000s)	% of total disbursement	% of commitments
Bilateral	1002638	41,9	737232	50,5	73,5
Multilateral	1316575	54,9	650811	44,5	49,4
NGO	77316	3,2	72885	5,0	94,3
Total	2396529	100	1460928	100	61,0

Figure 7. Disbursement by groups of international organizations (funding sources) as of the end of 2013



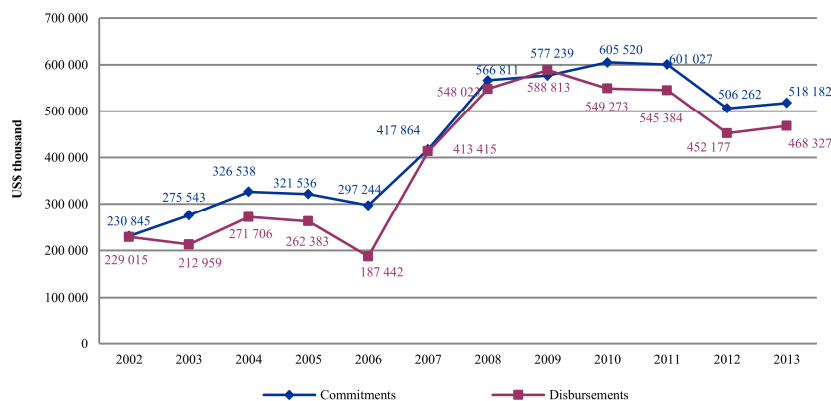
In 2013, the highest volume of commitments was made by multilateral organizations, while the disbursements made by bilateral organizations exceeded those of multilateral organizations. At the end of 2013, the total of disbursed funds by development partners under their commitments was 61.0%, which is 1.2% lower than the same indicator at the end of the previous year.

Figure 7 shows the disbursement structure for each group of international organization as a proportion of total disbursements as at the end of 2013.

If at the end of 2010 share of disbursements of bilateral and multilateral organizations was practically the same, as of the end of 2013 share of disbursements of bilateral organizations exceeded those of multilateral organizations for US\$ 86,421 thousand.

Figure 8 illustrates the annual commitments and disbursements for the period 2002-2013.

Figure 8. Commitments and disbursement during 2002-2013

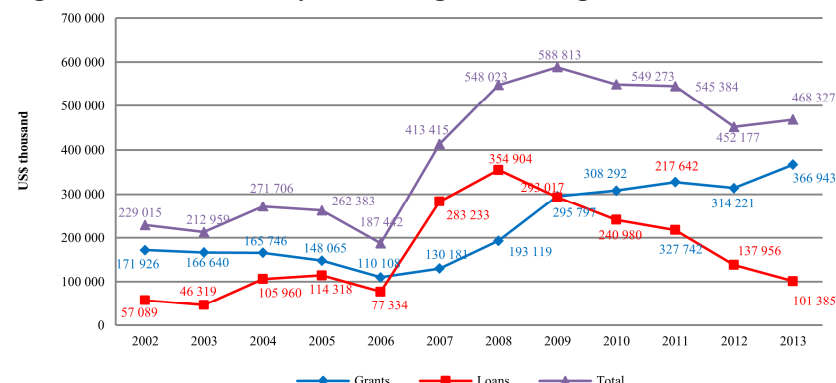


In general, both commitments and disbursements had an upward trend during 2002-2009, with the exception of 2006. However, from 2010 there has been a decline in both commitments and disbursements. This trend is mainly due to the completion of major projects in the Transport and Energy sectors, funded by the Export-Import Bank of China. In 2013 the total amount of commitments and disbursements as compared to 2012 has increased.

Figure 9 shows the breakdown of annual disbursement by loans and grants for 2002-2013.

During the review period the pattern of dynamic change of total annual disbursements was mainly determined by the 'curve' of loan disbursements. It is notable that in 2002-2006 and 2010-2013 the grant component of annual disbursements was higher than the loan component, and in 2007-2009, loan disbursements exceeded those of grants. From 2009, the annual loan disbursements began to fall, explained by a decrease in loan financing of investment projects by the

Figure 9. Disbursement by loans and grants during 2002-2013

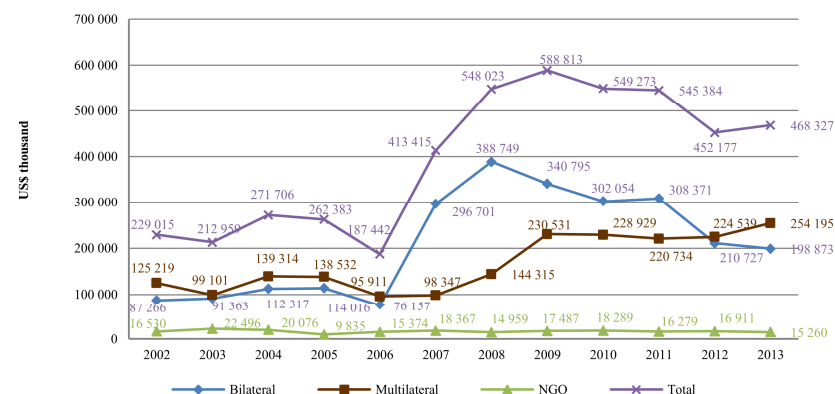


Export-Import Bank of China.

Figure 10 shows annual disbursements broken down by groups of international organizations for the period of 2002-2013.

In general, disbursements by bilateral organizations increased over the period of 2002-2013 with highest level of disbursements taken place in 2008, and falling abruptly further after. Reduced annual disbursements by bilateral organizations are generally determined by completion of major projects financed by the Export-Import Bank of China. Disbursements by multilateral organizations grew during 2002-2013. NGO disbursements were relatively stable during the reporting period, although the volume of aid from international NGOs is generally decreasing.

Figure 10. Disbursement by groups of international organization during 2002-2013



4.3. ANALYSIS OF COMMITMENTS AND DISBURSEMENTS BY EXPENDITURE CATEGORIES

AIMS enables the generation of information on the distribution of commitments and disbursements for projects/agreements by expenditure categories, including a breakdown by loans and grants for 2013 (please see the summary presented in Table 10).

TABLE 10. Allocation of commitments and disbursement by expenditure categories in 2013

Categories of Expenditures	Commitments		Disbursements	
	US\$ 000s	% of total	US\$ 000s	% of total
Civil works and construction	202 524	39,1%	190 062	40,6%
Equipment	59 103	11,4%	53 768	11,5%
Materials/goods	48 455	9,4%	39 425	8,4%
Training/TA	33 626	6,5%	24 896	5,3%
Consultancy: investment-related	47 668	9,2%	41 224	8,8%
Sub loan/on-lending	13 456	2,6%	13 086	2,8%
Project preparation	7 244	1,4%	7 589	1,6%
Maintenance cost	3 298	0,6%	2 451	0,5%
Operating/recurrent cost	75 817	14,6%	72 029	15,4%
Loan service/interest/commitment charge	601	0,1%	389	0,08%
Contingency	2 696	0,5%	519	0,1%
Special account	1 059	0,2%	1 018	0,2%
Unallocated*	20 048	3,9%	20 048	4,3%
Total	518 182	100,0%	468 327	100,0%

* Some partners while updating AIMS did not provide details of commitments and disbursements by categories of expenditure, as a result of which these payments were categorized as unallocated in AIMS.

Analysis of the structure of disbursements by expenditure categories for 2013 shows that the largest disbursements were made under the category of ‘Civil works and construction’, amounting to US\$ 190,062 thousand (40.6% of total disbursements).

TABLE 11. Allocation of disbursement by type of investment for 2013

Types of Investments	US\$ 000s	% of total
Capital investments	283,255	60.5
Non-capital investments	185,072	39.5
Total	468,327	100.0

Further analysis of the distribution of disbursements by type of investment shows that in 2013 the volume of disbursements for capital investment (see Tables 10 and 12 in bold) was US\$ 283,255 thousand (60.5% of all disbursements). Disbursements for non-capital investment (see Table 11) amounted to US\$ 185,072 thousand (39.5%).

All costs are grouped by category in Table 12: Works, Goods, Services, and Other costs. Service costs represent a relatively small proportion of expenditure, however, it should be noted that the absolute value for this category – totaling US\$ 73,710 thousand – increased over previous years. In 2012, total expenditure on services was US\$ 52,229 thousand.

TABLE 12. Allocation of commitments and disbursement by groups of expenditures for 2013

Group of Expenditures	Total commitments		Disbursements	
	US\$ 000s	% of total	US\$ 000s	% of total
Works	202524	39.1%	190062	40.6%
Goods	107557	20.7%	93193	19.9%
Services	88539	17.1%	73710	15.7%
Other	119561	23.1%	111362	23.8%
Total	518.182	100.0%	468327	100.0%

Figure 11. Expenditure under the category of ‘Services’ by sector in 2013

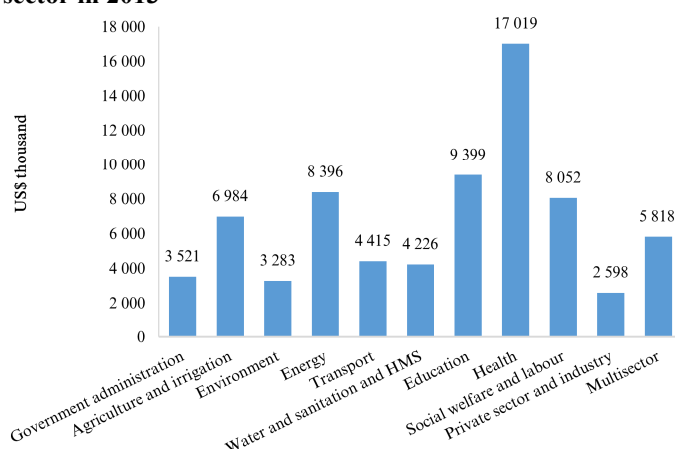


Figure 11 provides a breakdown of expenditure for the category of ‘Services’ by sector in 2013.

The analysis shows that in the procurement of services in 2013, the Health sector accounts for US\$ 17,019 thousand (23.1% of all services), of which US\$ 10,612 thousand is for training. The proportion for the Education sector was US\$ 9,399 thousand (12.8%), of which US\$ 4,994 thousand was for consultancy services, and US\$ 2,926 thousand for investment related consultancy. In the Energy sector, disbursements under ‘Services’ totaled US\$ 8,396 thousand, with 99.3% of these costs represent investment related consultancies. In the Social Welfare and Labor sector disbursements under ‘Services’ were US\$ 8,052 thousand, while 61.0% of those costs fall under investment related consultancy services.

4.4. ANALYSIS OF COMMITMENTS AND DISBURSEMENTS BY REGION

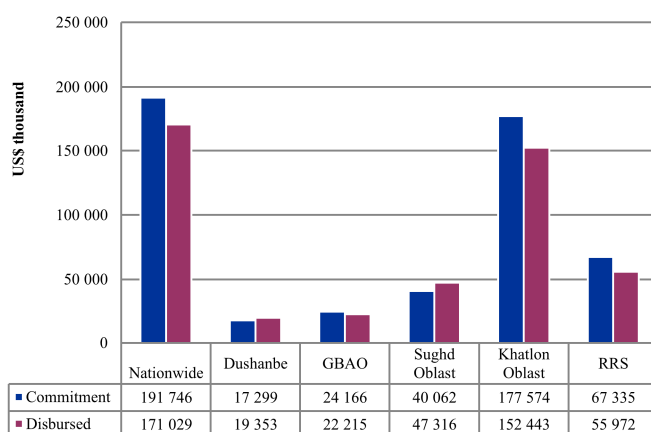
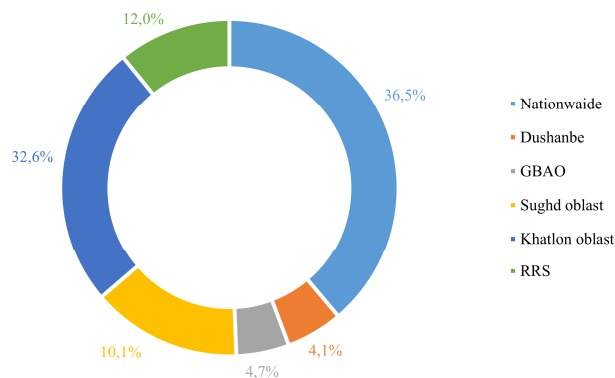
In Tajikistan, which faces the problem of uneven development in its various administrative-territorial units, focused and targeted aid distribution by region is crucial. It should be noted that many types of assistance, by its nature and significance, are of national importance and cannot be correlated with specific districts or areas. For other part of foreign aid among which many investment projects can be identified, there is a clearly expressed regional component. Given that the majority of projects cover more than one region, to estimate how one or another area (district) is affected this report used data on the number of projects implemented in a given territory, and the disbursements.

Table 13 provides a summary of commitments and disbursements by region in 2013.

TABLE 13. The volume of commitments and disbursements by regions in 2013 (US\$ thousand)

Regional Level	Commitments		Disbursements		
	US\$ 000s	% of total	US\$ 000s	% of total	% of commitments
Nationwide	191 746	37.0%	171 029	36.5%	89,2%
Dushanbe	17 299	3.3%	19 353	4.1%	111,9%
GBAO	24 166	4.7%	22 215	4.7%	91,9%
Sughd oblast	40 062	7.7%	47 316	10.1%	118,1%
Khatlon oblast	177 574	34.3%	152 443	32.6%	85,9%
RRS	67 335	13.0%	55 972	12.0%	83,1%
Total	518 182	100.00%	468 327	100.00%	90,4%

Table 13 indicates that during 2013 development partners have

Figure 12. Commitments and disbursements by region in 2013**Figure 13. Disbursement by region in 2013**

made disbursements amounting to US\$ 468,327 thousand (90.4% of the total commitments). The largest proportion of commitments is from agreements at the national level (37.0% of commitments). national-level agreements are followed in descending order by commitments on agreements in Khatlon oblast (34.3%), RRS (13.0%), Sughd oblast (7.7%), GBAO (4.7%) and Dushanbe city (3.3%).

Figure 12 shows the level of commitments by donor, together with a breakdown of disbursements by regions in 2013.

Figure 13 shows the structure of disbursements broken down by regions. The amount of disbursements made under projects and agreements at the national level account for US\$ 171,029 thousand (36.5 of total disbursements in 2013). Disbursements in Khatlon oblast account for US\$ 152,443 thousand (32.6%). In RRS total disbursements reached US\$ 55,972 thousand (12.0%), in Sugd oblast US\$ 47,316 thousand (10.1%), in GBAO US\$ 22,215 thousand (4.7%), and in Dushanbe city disbursements have reached US\$ 19,353 thousand (4.1%).

A comparison of the above indicators with those of the previous year shows a drop in the amount of disbursements of foreign aid in the regions. Disbursements in Dushanbe and Soghd Oblast decreased by 10 and 15% respectively. In all other regions disbursements increased.

Analysis of disbursement by sectors in regions in 2013

Table 14 summarizes the information on annual disbursements for 2013, by sector and by region.

The analysis shows that in 2013, there were 266 aid projects at the national level with 333 agreements. Total disbursements totaled US\$ 171,029 thousand. Financing of national-level projects was provided from 52 funding sources.

TABLE 14. Disbursement by sectors in the regions of Tajikistan in 2013

Sectors	Nationwide		Dushanbe		GBAO		Sughd oblast		Khatlon oblast		RRS	
	Dis-burse-ments	%	Dis-burse-ments	%	Dis-burse-ments	%	Dis-burse-ments	%	Dis-burse-ments	%	Dis-burse-ments	%
Government administration	39 002	22,8%	14	0,1%	111	0,5%	635	1,3%	305	0,2%	14	0,03%
Agriculture and irrigation	14 460	8,5%	209	1,1%	1 370	6,2%	6 787	14,3%	10 013	6,6%	1 601	2,9%
Environment	2 441	1,4%	3 434	17,7%	2 036	9,2%	2 617	5,5%	3 065	2,0%	760	1,4%
Energy	2 941	1,7%	5 246	27,1%	2 468	11,1%	6 707	14,2%	31 049	20,4%	10 314	18,4%
Transport	2 405	1,4%			5 309	23,9%	18 924	40,0%	65 600	43,0%	35 299	63,1%
Water and sanitation and HMS	5 170	3,0%	2 823	14,6%	1 177	5,3%	5 198	11,0%	13 503	8,9%	2 478	4,4%
Education	14 175	8,3%	4 269	22,1%	3 204	14,4%	3 588	7,6%	11 960	7,8%	2 051	3,7%
Health	32 000	18,7%	1 413	7,3%	4 566	20,6%	1 231	2,6%	14 390	9,4%	1 305	2,3%
Social welfare and labor	25 688	15,0%	626	3,2%	1 270	5,7%	822	1,7%	1 805	1,2%	1 258	2,2%
Private sector and industry	15 691	9,2%	233	1,2%	345	1,6%	534	1,1%	146	0,1%	646	1,2%
Multisector	17 055	10,0%	1 084	5,6%	360	1,6%	274	0,6%	606	0,4%	246	0,4%
Total	171 029	100%	19 353	100%	22 215	100%	47 316	100%	152 443	100%	55 972	100%

Figure 14. Disbursement in projects at the national level, by sector in 2013

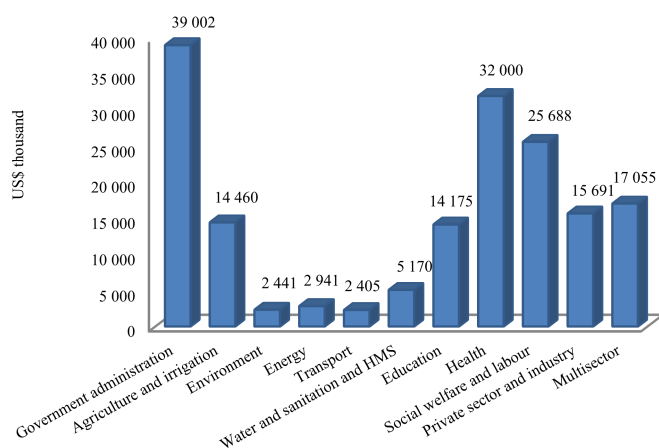
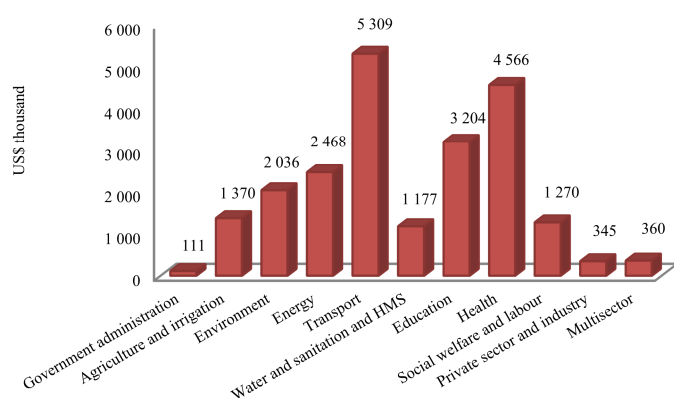


Figure 14 shows disbursements for national-level projects broken down by sector in 2013. The largest disbursements at national level were in the Government Administration sector (US\$ 39,002 thousand or 22.8% of total disbursements). Within this sector, the largest disbursements were made for the Sixth Programmatic Development Policy Grant Program (PDPG6) (US\$ 20,000 thousand), funded by World Bank and for Strengthening Public Resource Management Program (US\$ 13,000 thousand), funded by Asian Development Bank.

After this sector, the following sectors received national-level funding: Health (US\$ 32,000 thousand or 18.7% of total disbursements), Social Welfare and Labor (US\$ 25,688 thousand or 15.0%), Private Sector and Industry (US\$ 15,691 thousand or 9.2%), Agriculture and Irrigation (US\$ 14,460 thousand or 8.5%) and Education (US\$ 14,175 thousand or

8.3%).

Figure 15. Disbursement in Gorno-Badakhshan Autonomous Oblast (GBAO) by sector in 2013



Gorno-Badakhshan Autonomous Oblast (GBAO) covers 45% of the area of the country. The oblast consists of 1 city, 7 rayons and 43 *jamoats*. In 2013, there were 92 foreign aid projects composed of 142 agreements within the framework of these projects in the region. The total disbursements were US\$ 22,215 thousand, with financial aid to the region in 2013 coming from 38 funding sources.

Figure 15 shows disbursements by sector in GBAO.

The largest disbursements in GBAO during 2013 were made to the sectors of Transport, with US\$ 5,309 thousand (23.9% of total disbursements in the region), Health with US\$ 4,566 thousand (20.6%), Education with US\$ 3,204 thousand (14.4%) and Energy with US\$ 2,468 thousand (11.1%).

In the Transport sector, there is an investment project of national significance, namely the 'Construction of the Shagon-Zigar Highway', which will provide a road connection between Tajikistan and the south-eastern countries of the region. During 2013, disbursements to Phase 3 of this project amounted to US\$ 5,309 thousand.

The largest disbursements in the Health sector of GBAO in 2013 were made under the “Regional Diagnostic Unit, Khorog General Hospital GBAO” project, totaling US\$ 1,563 thousand.

In the Education sector, the highest volume of disbursements were made under the “University of Central Asia (UCA)” project, totaling US\$ 1,371 thousand.

For Environment sector US\$ 2,036 thousand (9.2% of total disbursements), for Agriculture and Irrigation sector US\$ 1,370 thousand (6.2%), for Social Welfare and Labor sector US\$ 1,270 thousand (5.7%), and for Water and Sanitation and HMS sector US\$ 1,177 thousand (5.3%) aid was provided.

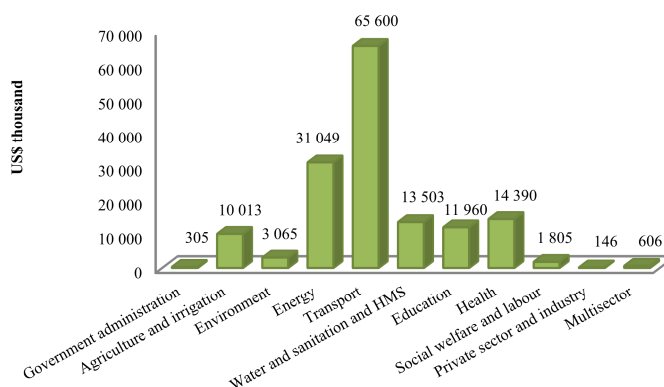
Khatlon oblast covers 17.3% of the total area of Tajikistan, where 35.4% of the total population of Tajikistan lives. The oblast consists of 25 rayons, 7 cities, 18 settlements and 133 *jamoats* (sub-districts).

In 2013, there were a total of 154 projects in Khatlon oblast, with 214 agreements of foreign aid being implemented within the framework of these projects. Total disbursements reached US\$ 152,443 thousand, with financial aid provided from 49 funding sources.

Figure 16 shows the breakdown of disbursements for Khatlon oblast during 2013 by sector. The major flows of foreign aid by sector were as follows:

- Transport – US\$ 65,600 thousand (43.0% of total aid).
- Energy – US\$ 31,049 thousand (20.4%).
- Health – US\$ 14,390 thousand (9.4%).
- Water, Sanitation and HMS – US\$ 13,503 thousand (8.9%).
- Education – US\$ 11,960 thousand (7.8%).
- Agriculture and Irrigation – US\$ 10,013 thousand (6.6%).

Figure 16. Disbursement in Khatlon oblast by sector in 2013

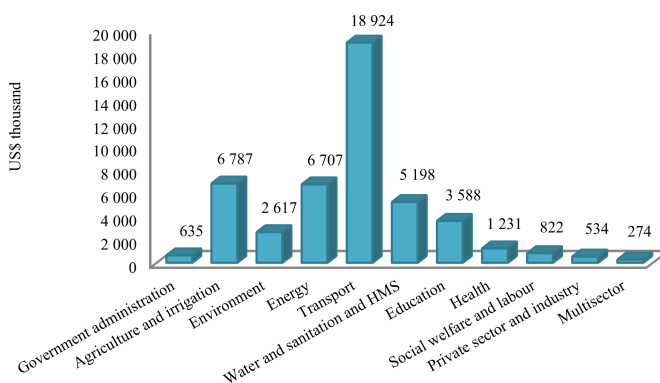


Sughd oblast covers 17.7% of the total area of the country, where 29.5% of the population of Tajikistan live. The oblast is composed of 14 rayons, 10 cities, 20 settlements and 93 *jamoats*.

In 2013, there were 87 foreign aid projects underway in the oblast, with 143 agreements being implemented within the framework of those projects. Disbursements totaled US\$ 47,316 thousand, provided from 39 funding sources.

Figure 17 shows the breakdown of disbursements for Sughd oblast by sectors in 2013.

Figure 17. Disbursement in Sughd oblast by sector in 2013



The highest disbursements in the region were made in the Transport sector, and totaling US\$ 18,924 thousand (40.0% of total disbursements). Within this sector, projects included the ‘CAREC Corridor 6 (Aini-Uzbekistan border) Road Improvement Project’, funded by Asian Development Bank under which disbursements in 2013 amounted to US\$ 18,804 thousand, and the Project “Construction of auto-tunnel Istiklol” funded by Iran, under which disbursements totaled US\$ 120 thousand.

In total, US\$ 6,787 thousand (14.3% of total disbursements) were disbursed for Agriculture and Irrigation sector, US\$ 6,707 thousand (14.2%) to Energy sector, US\$ 5,198 thousand (11.0%) to water, sanitation and HMS sector, US\$ 3,588 thousand (7.6%) to Education sector.

The **RRS** covers 20% of the total area of the country, whereas 22.8% of the population of Tajikistan resides. RRS consist of 13 rayons, 4 cities, 10 settlements and 97 *jamoats*.

In 2013, there were total 151 agreements with total disbursement totaling US\$ 55,972 thousand, implemented within a framework of 106 foreign aid projects. Financial aid for the development of RRS in 2013 was provided from 41 funding sources.

Figure 18. Disbursement in RRS by sector in 2013

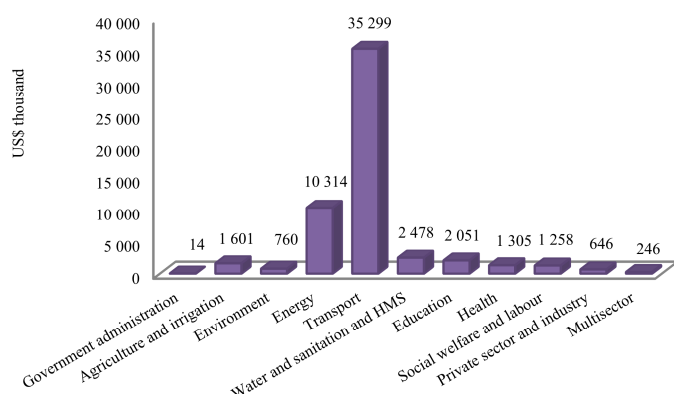


Figure 18 shows a breakdown of disbursements for RRS during 2013 by sector. In RRS, the largest proportion of foreign aid went to the Transport sector (US\$ 35,299 thousand or 63.1%), including the ‘Dushanbe Uzbekistan Border Road Rehabilitation Project CAREC 3’ funded by ADB, with disbursements of US\$ 27,410 thousand. Other sectors receiving disbursements were: Energy - US\$ 10,314 thousand or 18.4% of total disbursements in the region, Water, Sanitation and HMS - US\$ 2,478 thousand (4.4%), Education - US\$ 2,051 thousand (3.7 percent), Agriculture and Irrigation - US\$ 1,601 thousand (2.9%).

In 2013, for **Dushanbe city** there were 106 agreements with total disbursements of US\$ 19,353 thousand, implemented within the framework of 87 foreign aid projects. Financial aid to the

development of Dushanbe city was provided from 39 funding sources.

Figure 19. Disbursement in Dushanbe by sector in 2012

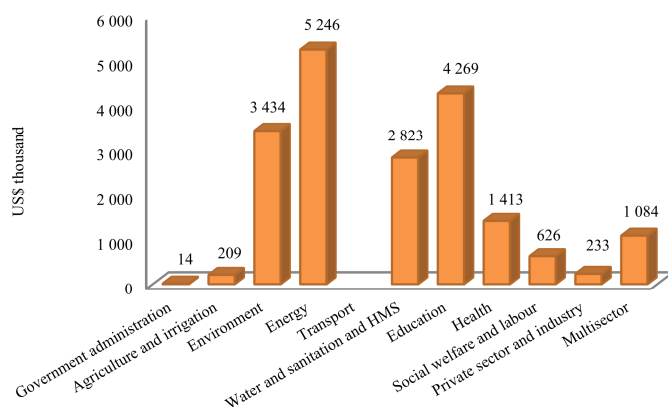


Figure 19 shows the breakdown of disbursements for Dushanbe city by sector in 2013. The Energy sector was the largest recipient of disbursements in Dushanbe city, accounting to US\$ 5,246 thousand, or 27.1% of total aid provided to Dushanbe city (“Energy loss reduction” Project, OSHPC “Barqi Tojik”) funded by World Bank.

Significant disbursements were received by the following sectors:

- Education – US\$ 4,269 thousand (22.1% of total disbursements).
- Environment – US\$ 3,434 thousand (17.7%).
- Water, Sanitation and HMS – US\$ 2,823 thousand (14.6%).

- Health – US\$ 1,413 thousand (5.6%).

- Multisector – US\$ 1,084 thousand (5.6%).

Further analysis of disbursements by sector with a breakdown by source of financing, as well as by project and agreement, can be undertaken using the information in AIMS.

This section of the report includes general analysis of the current situation regarding foreign aid received by Tajikistan. AIMS contain detailed information on all projects and agreements, implemented by development partners during this period, with consideration of their sectoral and territorial affiliation. This information can be used for further in-depth analysis of foreign aid within various sectors and regions of Tajikistan. Such analysis can help to further improve coordination of activities undertaken by all involved parties.

Analysis of foreign aid can be further deepened by the breakdown of sectors into sub-sectors, fields and industries and separate reform paths, and by refining geographical analysis to oblasts, cities, districts.

5

REVIEW OF INVESTMENT PROJECTS PORTFOLIO

GENERAL REVIEW OF THE PORTFOLIO AND ITS IMPLEMENTATION

One of the major tasks of the SCISPM in the area of foreign aid is the portfolio management of public investment projects.

Portfolio management of public investment projects includes undertaking of a wide range of activities, but is not limited to:

- Coordinating the processes of preparation and implementation of projects within the portfolio of investment projects of international financial institutions and donor countries;
- Analysis of reports and other information received from the ministries and departments, international donor organizations, as well as for the projects implementation units about the use of credit resources provided to the Republic of Tajikistan;
- Interaction with the representative offices and missions of the international financial institutions to review and evaluate the usage of the investment projects portfolio, the development of a joint plan of action with the Government of RT and its implementation;
- Monitoring and evaluation of joint investment projects.

External debt is an important component of economic development of Tajikistan. At the expense of borrowed funds in accordance with the national policies public investment projects are implemented in the priority sectors of the country economy. Thus, for the development of the Energy sector in the framework of the public investment portfolio, over US\$ 727 million aimed at the construction of new generating capacity, as well as power lines, were spent. Major projects implemented in this direction include: “Construction of 500 kV transmission line” South-North “and” Construction of 220 kV transmission line “Lolazor - Khatlon”. Several other energy projects are approaching their completion. During the last 10 years as a result of the construction of small and medium hydropower plants, repair and rehabilitation of existing hydropower plants, electric energy power of the country has increased by nearly 1,000 megawatts. Moreover, the construction of a transmission line ‘South-North’ allowed to create a unified country energy network in Tajikistan.

To get the country out of the communication deadlock and maintain access to the world seaports, during the last ten years 23 public investment projects totaling approximately US\$ 670 million have been implemented. As a result, 1650 km of roads were repaired and constructed, 109 bridges and 27 km of tunnels built and are operational. In 2013, there were 13 public investment projects implemented worth \$ 947.4 million.

President of the Republic of Tajikistan Emomali Rahmon in his speech at meeting of the Government of the Republic of Tajikistan devoted to the results of socio-economic development in 2013 and tasks for 2014 noted that “in 2013 the Government of Tajikistan aiming at attracting foreign investments for implementation of prioritized projects, approved State program on investment grants and capital construction for the next 3 years, in which an investment of 120 projects worth more than 75 billion TJS is foreseen”. In this regard, SCISPM together with the ministries and departments should intensify efforts to find and attract foreign investments into the national economy, especially for the implementation of the prioritized national projects, particularly in the areas of energy and regional infrastructure.

In accordance with the Regulations of the State Committee on Investments and State Property Management of the Republic of Tajikistan, one of the important areas of its activities is to monitor and oversee the implementation of investment projects, including monitoring over the compliance with the terms of contracts. Role of the SCISPM in monitoring over the joint investment projects carried out by the Government agencies, is to ensure the fulfillment of the system analysis and appraisal of the existing projects implementation, the results of operations of the Project Implementation Units (PIU), to inform the Government of Tajikistan to take appropriate measures to address the problems encountered in the implementation of the projects.

In order to achieve this, SCISPM conducts systematic data collection and processing on all aspects of ongoing investment projects and activities of the PIU, constantly monitors the progress of the projects, and thus ensures timely and quality implementation of planned activities.

The information section of the AIMS currently contains detailed information about all completed and ongoing State Investment Projects.

Table 15 provides information on the total portfolio of existing investment projects for 2013 by funding sources (cumulative).

The total portfolio of joint investment projects being implemented in 2013 amounted to 61 projects totaling US\$ 1,842,238 thousand, of which US\$ 1,689,332 thousand were the attracted external resources (91.70%), US\$ 148,219 thousand - Government's contribution (8.05%) and US\$ 4,686 thousand - other funds (0.25%).

The analysis of the grant part of the investment portfolio of RT shows that the largest contributions to the country development, as part of this type of assistance, have been made by the Asian Development Bank and the World Bank

Group. In 2013, the liabilities of the international financial institutions in the form of grants amounted to US\$ 712,951 thousand, or 38.70% of the total budget of the investment portfolio (78.4% of the grant portion of the portfolio).

Further, in terms of the grant aid provided we should highlight the European Bank for Reconstruction and Development - US\$ 76,059 thousand (4.13%), the International Fund for Agricultural Development - US\$ 26,245 thousand (1.42%), the Government of the Federal Republic of Germany - US\$ 25.321 thousand (1.37%), the Government of Switzerland - US\$ 11,444 thousand (0.62%), Government of Japan - US\$ 9,600 thousand (0.52%), etc.

In 2013, the largest amount of resources on the investment credit portfolio was with the Export-Import Bank of China (PRC) - US\$ 278,508 thousand, accounting for 15.12% out of the total budget of the investment portfolio, or 35.70% out of the portion of the credit portfolio. Next followed by the Islamic Development Bank - US\$ 124,931 thousand (7.78%), Asian Development Bank - US\$ 102,039 thousand (5.54%), European Bank for Reconstruction and Development EBRD - US\$ 81.600 thousand (4.43%), and Saudi Fund for Development - US\$ 41.800 thousand (2.27%), etc.

The Table 16 presents the data on volumes of investment and its application by funding sources. The presented information includes data on the implementation of investment projects (active and completed) during the period from 2002 to 31.12.2013.

During the reporting period, the total amount of investment funds in accordance with the signed agreements is equal to US\$ 3,533,515 thousand, including loan funds for investment projects amounting to US\$ 2,090,084 thousand or 59.2% of the total budget investment resources, the grant funds totaled US\$ 1,150,738 thousand or 32.6%, the contribution of the Government of RT - US\$ 251,882 thousand or 7.1%, and other/etc sources - US\$ 40,811 thousand or 1.1%.

During the period of 2002-2013, the volume of the applied investment funds totaled to US\$ 2,608,580 thousand or 73.8% of the total investment funds from signed agreements, including the applied loan amounted to US\$ 1,814,506 thousand, applied grant funds - US\$ 619,370 thousand, disbursements by the Government of RT deposits - US\$ 143,512 thousand and disbursements for other/etc sources - US\$ 31,191 thousand.

TABLE 15. The total volume of investment acting projects' portfolio in 2013 by funding sources

№	Source of Financing	Commitments on current agreements of 2013 (US\$ millions)	% of total
1	Grants total	909.144	49,35%
1.1	Asian Development Bank	509.770	27,67%
1.2	Global Environment Facility	3.500	0,19%
1.3	World Bank	203.181	11,03%
1.4	European Commission - Macro-Financial Assistance	9.230	0,50%
1.5	European Bank for Reconstruction and Development	76.059	4,13%
1.6	International Bank for Reconstruction and Development	7.000	0,38%
1.7	International Fund for Agriculture Development	26.245	1,42%
1.8	Government of Austria	734	0,04%
1.9	Government of the Islamic Republic of Iran	1.100	0,06%
1.10	Government of Germany	25.321	1,37%
1.11	Government of Switzerland	11.444	0,62%
1.12	Government of Japan	9.600	0,52%
1.13	Swiss Cooperation Office/Consular Agency in Tajikistan	5.000	0,27%
1.14	Japan International Cooperation Agency	20.958	1,14%
2	Loans total	780.190	42,35%
2.1	Asian Development Bank	102.039	5,54%
2.2	World Bank	26.447	1,44%
2.3	European Bank for Reconstruction and Development	81.600	4,43%
2.4	European Investment Bank	10.142	0,55%
2.5	European Union	10.150	0,55%
2.6	Islamic Development Bank	124.931	6,78%
2.7	Kuwait Fund for Arab Economic Development	30.800	1,67%
2.8	Government of Germany	23.622	1,28%
2.9	Saudi Fund for Development	41.800	2,27%
2.10	Abu Dhabi Fund	15.000	0,81%
2.11	OPEC Fund	35.150	1,91%
2.12	Export-Import Bank of China	278.508	15,12%
	Total loans and grants	1.689.333	91,70%
3	Contribution of the Government of Tajikistan	148.219	8,05%
4	Other sources	4.686	0,25%
	Total	1.842.238	100,00%

During the reviewed period US\$ 203,456 thousand, of loan funds of World Bank were utilized that is accounting for 96.2% of the total amount of loan agreements signed with this organization. On the loan funds of the Asian Development Bank US\$ 325,240 thousand or 97.0% was disbursed, the Islamic Development Bank - US\$ 147,025 thousand or 70.3%. Over the period of 2007-2013 an amount of US\$ 945,990 thousand or 95.1% was disbursed as loan funds of the Export-Import Bank of China under agreements with this bank.

Figure 20. Chart on the disbursement of investment funds for the period 2002-2013.

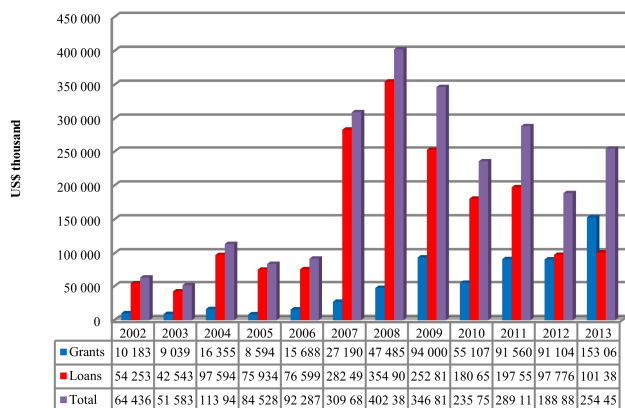


Figure 20 shows the dynamics of the disbursement of investment funds provided to the Republic of Tajikistan by donor countries and international financial institutions during the period of 2002-2013.

As the Figure 20 shows, during the period of 2002-2008 disbursement of investment funds had a tendency to increase, but since 2009, a decrease was observed in the annual disbursements of public investment projects. It should be noted that in 2013 the volume of utilization of the investment funds increased as compared to the 2012 by 35%. During the reporting period, the proportion of the grant component of the total amount disbursed investment funds increased from 15.8% in 2002 to 60.3% in 2013, which is a positive tendency in the process of promoting socio-economic development of the country.

TABLE 16. The volume of investments and their disbursements by funding source as of 2002-2013 (US\$ thousand)

№	Source of Financing	Total on Agreements (US\$ 000s)	Disbursement Amounts (US\$ 000s)												Total
			2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
1	Grants total	1 150 738	10 183	9 039	16 355	8 594	15 688	27 190	47 485	94 000	55 107	91 560	91 104	153 066	619 370
1.1	USAID – AKF – Focus	1 102	534	107											748
1.2	Asian Development Bank	538 611	2 421	1 762	2 375	100	385	417	3 196	5 699	13 763	37 227	41 626	86 996	195 968
1.3	Global Environment Facility	7 972				80	215	752	1140	2 219	122	841	404	551	6 325
1.4	World Bank	312 159	3 500	13	783	2 395	9 216	16 938	24 891	29 227	27 587	33 213	24 674	31 826	204 262
1.5	EC-MFA	9 230												292	292
1.6	EBRD	48 632							82	653	2 064	3 243	5 800	7 988	19 831
1.7	Islamic Development Bank	433	148	42	60										250
1.8	KFAED	1 021							692	329				522	1 021
1.9	IBRD	7 000										802	127	539	649
1.10	IFAD	26 245								318	1 020				2 679
1.11	DFID	2 463			76	493	1191								1760
1.12	Government of the Netherlands	2 000								1 696	304				2 000
1.13	Government of Austria	734												268	268
1.14	Government of the IRI	11 100			10 000								900	200	11 100
1.15	Government of the PRC	41 665								41 665					41 665
1.16	Government of Germany	38 798					873	1 555	8 451	3 020	4 189	7 469	6 610	4 044	36 211
1.17	Government of Switzerland	16 285	185	459	1 132	233	99		536	785	3 084	3 214	1 353	2 686	13 766
1.18	Government of Japan	21 756	184	462	363	1 242	1 839	904	779	3 079	290	4 539	295	5 511	19 487
1.19	AKDN	9 800	3 169	5 031	600		452								9 252
1.20	SIDA	10 621					156	1 446	3 124	3 037	1 829	1 012			10 604
1.21	SCO	20 153	42	1 163	1 459	3 304	1 205	5 065	3 191	2 272	854				18 554
1.22	JACA	22 958				147	57	113	1 403				9 313	11 645	22 678
2	Loans total	2 090 084	54 253	42 543	97 594	75 934	76 599	282 499	354 904	252 817	180 650	197 551	97 776	101 383	1 814 506
2.1	Asian Development Bank	335 233	13 629	14 958	19 456	17 701	36 199	38 993	47 916	67 636	40 660	19 369	5 215	3 507	325 240
2.2	World Bank	211 517	33 777	13 949	54 655	34 705	15 519	8 170	9 519	8 067	10 797	9 523	4 423	353	203 456
2.3	EBRD	50 560								3 352	1 016	4 079	3 443	5 747	17 638
2.4	EIB	10 142													
2.5	EU	10 150													
2.6	Islamic Development Bank	209 225	5 729	6 854	10 112	4 759	10 165	5 499	8 980	15 846	11 698	23 977	26 048	17 359	147 025
2.7	KFAED	60 546	718	3 328	4 872	6 651	508	3 207	6 432	5 292	1 633	432	3 524	5 953	42 551
2.8	Government of the IRI	21 200				6 198	6 724	5 132	3 145						21 200
2.9	Government of Germany	23 622								299	4 116	8 359	6 635	2 793	22 202
2.10	Government of France	23 460													
2.11	Saudi Fund for Development	61 700			5 254	2 158	4 933	2 887	127	400	298	128	14 955	6 996	39 492
2.12	Abu Dhabi Fund ‘	15 000											3 284	2 178	5 462
2.13	OPEC Fund	63 150	400	2 098	3 246	3 761	2 551	1 867	1 540	4 982	4 608	2 231	2 627	14 339	44 250
2.14	EIB PRC	994 580						216 743	277 246	146 942	105 825	129 452	27 624	42158	945 990
	Total loans and grants	3 240 822	64 436	51 583	113 949	84 528	92 287	309 689	402 389	346 817	235 757	309 111	210 467	281 772	2 433 876
3	Contribution of the Government of Tajikistan	251 882	701	3 442	10 507	10 394	15 536	18 957	13 611	12 653	20 586	12 811	10 177	14 136	143 512
4	Other sources	40 811	447	400	1 077	1 557	7 766	6 339	4 900	2 054	2 392	1 144	510	2 604	31 191
	TOTAL	3 533 515	65 584	55 424	125 533	96 480	115 590	334 985	420 901	361 524	258 735	323 067	221 155	298 512	2 608 580

ANALYSIS OF THE INVESTMENT PROJECTS PORTFOLIO BY COST AND DURATION

Figure 21. Chart of the investment projects, sources of funding and development partners by sector in 2013

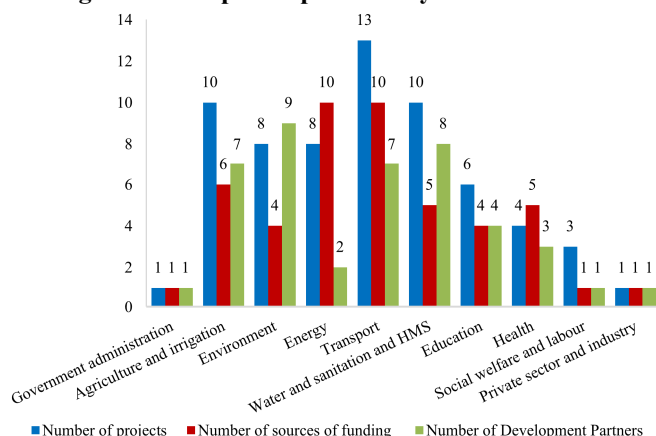


Figure 21 represents a graph reflecting the number of investment projects, funding and development partners across sectors for 2013.

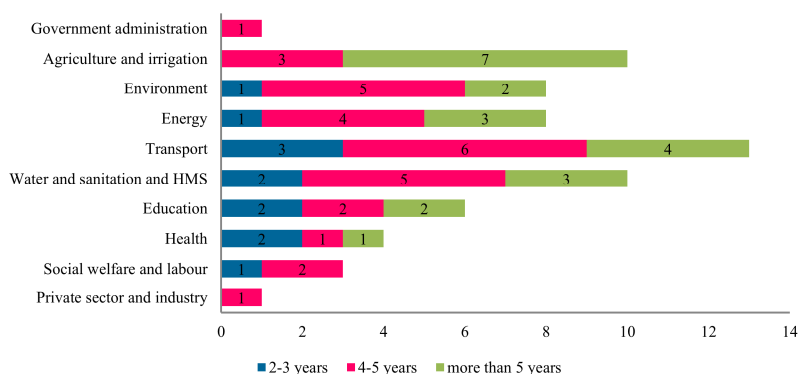
As the diagram shows, 'active' sectors by the number of investment projects implemented in 2013 are: Transport-13, Agriculture and Irrigation and Water, Sanitation and HMS – 10 each, Energy and Environment - 8 investment projects each. By the number of sources of funding, that support sectoral development, the following 'active' sectors could be highlighted: Energy and Transport - 10 funding sources each.

The largest numbers of development partners involved in the implementation of investment projects are in the Environment sector - 9 partners, Water, Sanitation and HMS - 8 partners and

Transport and Agriculture and Irrigation sectors - 7 partners each..

Figure 22 reflects the structure of the total number of investment projects of various durations by sector in 2013. Overall, there were 61 investment projects implemented in 2013, of which 22 or 36% of the project with a duration of more than 5 years. The largest number of such long-term projects are being implemented in the Agriculture and Irrigation sector (7 projects). It should be noted that 'The second project on Public Employment for Sustainable Agriculture and Water Management in Tajikistan' is implemented in two sectors - in the Agriculture and Irrigation and the Environment sectors.

Figure 22. Investment projects of various durations, by sector in 2013



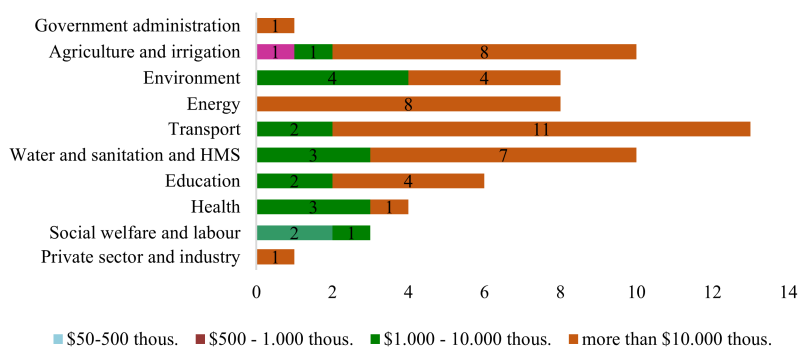
28 projects or 46% had duration of 4-5 years. Such projects are implemented in all considered sectors, but the largest number of them is implemented in the Transport sector (6 projects). It should be noted that among these projects there are two projects, each one is realized in the two sectors. It is the 'CAREC Regional Project Improvement of Border Services', which is implemented in the Governance sector and Transport, as well as 'The second project on public employment for sustainable agriculture and water management in Tajikistan', which is implemented in the sector of Agriculture and Irrigation and in Environment sectors.

The number of investment projects with duration of 2-3 years is 11 projects or 18%. Projects with this duration are implemented almost in all sectors, with the exception of Governance, Agriculture and Irrigation and the Private sector and Industry. It should be noted that the project 'Improving maternal and child health through the development of transportation' with the duration of 3 years is implemented in two sectors: Transport and Health.

Thus, in 2013 over 80% of all ongoing investment projects had duration of 4 to 5 and over 5 years, i.e. being long-term projects.

Figure 23 shows the structure of the number of investment projects of various costs by sector in 2013. Due to the fact that some of the projects are implemented in several sectors, the arithmetic sum of the projects by sector exceeds the actual number of

Figure 23. Number of investment projects of various costs by sector for 2013



projects.

Analysis shows that during the reporting period, there were 61 investment projects, out of which 43 projects or 75 % with costs of over US\$ 10,000 thousand, 15 projects or 25% had costs of between US\$ 1,000-10,000 thousand, 1 project or 2% with costs of between US\$ 500-1,000 thousand and 2 projects or 3% with costs of between US\$ 50-500 thousand. Thus the investment projects with the costs of between US\$ 1,000-10,000 thousand and over US\$ 10,000 thousand represent 95% of the total number of the projects in 2013.

INVESTMENT PROJECTS PORTFOLIO BY DONOR ORGANIZATIONS

The major donors providing assistance to the Republic of Tajikistan amongst the international financial institutions are the World Bank (WB), Asian Development Bank (ADB), and European Bank for Reconstruction and Development (EBRD), the Islamic Development Bank (IDB), the Saudi Fund for Development (SFD) and others. The main countries - donors are Japan, Germany, Switzerland, China, and the Iran.

WORLD BANK

Tajikistan joined the World Bank in 1993, and the International Development Association (IDA) - in 1994. Since the beginning of cooperation the World Bank provided US\$ 870 million as loans and grants from the International Development Association (IDA), as well as trust funds. Out of this amount, US\$ 708 million has already been utilized in the country. This funding is aimed at supporting the Government in the following main areas: Agriculture, Economic Policy, Public Sector, Energy, Water, Health, Education and Social Protection.¹

Partnership Strategy of the World Bank and the Republic of Tajikistan (PS) for 2010-2013 has been extended by the Board of Executive Directors of the World Bank until 2014. The revised Partnership Strategy accents were removed from mitigating the negative impact of the crisis to structural reforms aimed at promoting sustainable economic growth and development. One of the main objectives of the Strategy is to assist in encouraging private investment through a comprehensive private sector development. Other priorities of the upcoming collaboration include: (a) ensuring macroeconomic stability and effective management of public finances, (b) a further increase in agricultural productivity and ensuring the efficient use of water, (c) the strengthening of the Energy sector in order to ensure a reliable domestic energy supplies and increasing electricity exports and (d) improving access to quality social services.

Figure 24 shows the profile of WB investment projects with varying durations, by sector in 2013. A total of 20 investment projects were carried out in 2013, out of which 5 projects or 25% lasted for more than 5 years. These projects are being implemented in the following sectors: Agriculture and Irrigation - 4 projects, Energy - 1 project, Water, Sanitation and HMS - 1 project. 10 projects or 50% lasted for between four-to-five years. Such projects are implemented in all sectors, except for Energy and Health sectors. It should be noted that 'the second project to provide public employment for sustainable agriculture and water management in Tajikistan' with a duration of 4.8 years is implemented in two sectors, Agriculture and Irrigation and Environment.

There are 24 investment projects with the duration of 2-3 years or 25% of all projects. Projects with such duration are implemented in Education sector - 3 projects, Health and Social Welfare and Labor - 1 project each.

Figure 25 shows the structure of World Bank investment projects

Figure 24. World Bank investment projects with various durations, by sector in 2013

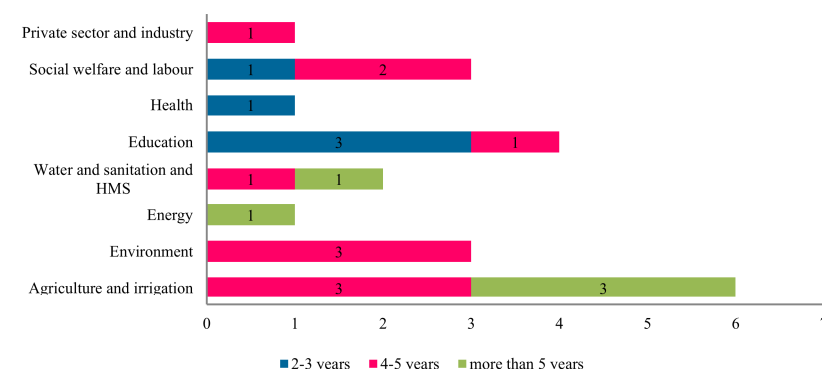
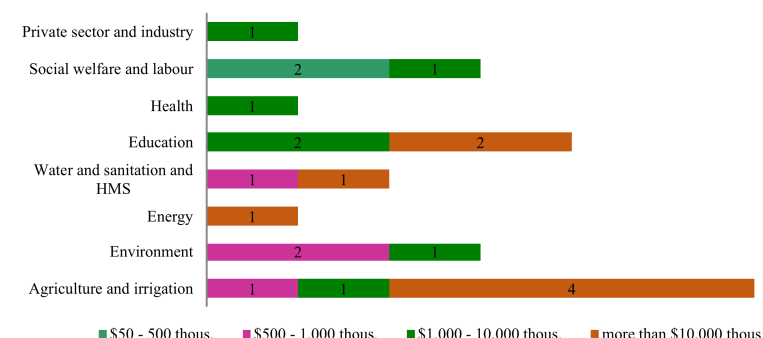


Figure 25. World Bank investment projects with various costs, by sector in 2013



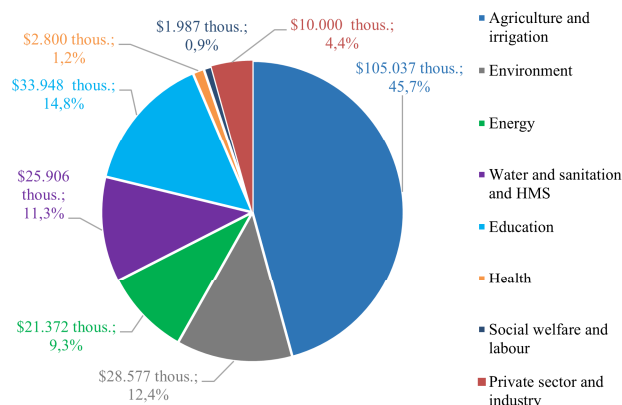
¹ www.worldbank.org/ru/country/tajikistan/projects

with the various costs by sector in 2013.

The analysis showed that during the reporting period 8 projects or 38.1% had a value of more than US\$ 10,000 thousand. 7 projects or 33.3% had a value of US\$ 1,000 to 10,000 thousand, 4 projects or 19% had cost between US\$ 500-1,000 thousand and 2 projects or 9.5% had cost between US\$ 50-500 thousand. It should be noted that the cost of the project is defined as a general obligation of the World Bank for the project.

Thus, in 2013 about 75% of all ongoing investment projects had duration of between 4-5 and over 5 years, i.e. were considered as long-term. About 40% of implemented investment projects have cost of over US\$ 10,000 thousand.

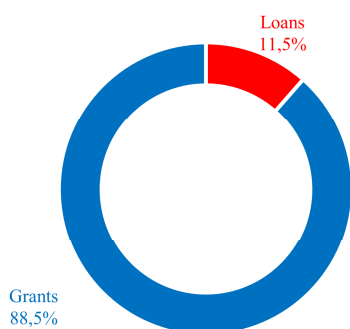
Figure 26. World Bank investment projects portfolio by sector



The total funding of the WB portfolio of investment projects is US\$ 229,628 thousand. The largest share in the portfolio is Agriculture and Irrigation (45.7%), followed by Education (14.8%), Environment (12.4%), Water, Sanitation and HMS (11.3%), Energy (9.3%), Private sector and Industry (4.4%), Health (1.2%), and Social Welfare and Labor (0.9%).

Out of the WB's funding portfolio of US\$ 229,628 thousand, a total of US\$ 26,447 thousand or 11.5% is allocated in the form of loans, and US\$ 203,180 thousand or 88.5% - in the form of grants.

Figure 27. World Bank investment projects portfolio by loans and grants



World Bank, as it was mentioned earlier, has portfolio of 20 investment projects (see Table 17). All 20 investment projects financed by the World Bank are implemented in accordance with the Living Standards Improvement Strategy of Tajikistan for 2013-2015 (LSIS).

Figure 28 shows the trends in World Bank disbursement for the period of 2002-2013.

Overall, throughout the reporting period, the annual disbursements of investment funds decreased by 14%. At the same time in 2002-2006 there was a

change in the dynamics of disbursement, largely determined by the nature of the 'curve' of the volumes of loan disbursement, and in 2007-2012 – of grants disbursements. In 2004-2013 grant disbursements are on the rise and loan disbursements – have downward trend. It should also be noted that since 2007 grant investment amounts have exceeded the share of loans.

During the period of 2002-2013, World Bank invested US\$ 407,701 thousand including loans of US\$ 203,456 thousand or 49, 9% and grants of US\$ 204,245 thousand or 50%.

Figure 28. World Bank disbursements for the period of 2002-2013

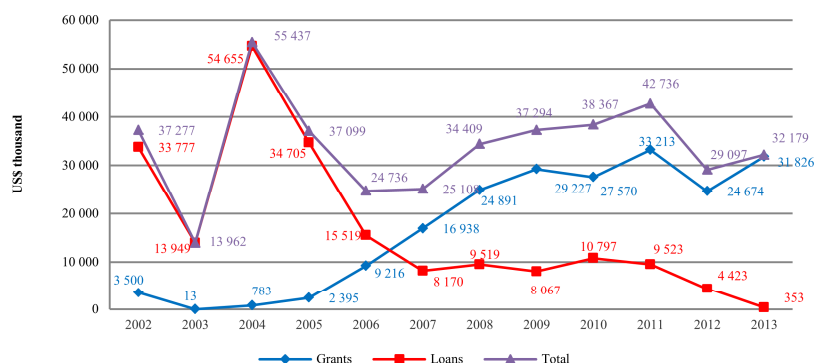
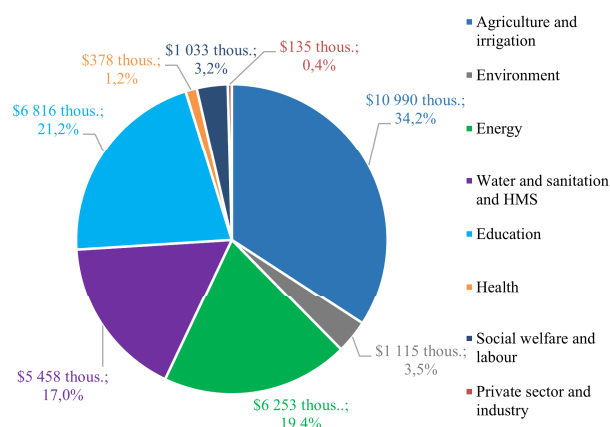


TABLE 17. The portfolio of the World Bank's ongoing investment projects in 2013

Sector	Name of Project	Beginning date	Ending date	Project cost (US\$ 000s)	Total commitments (US\$ 000s)	Total disbursements (US\$ 000s)	Disbursement rate (%)
Agriculture and Irrigation	1) Second public employment for sustainable agriculture and water resources management project (PAMP II)*	03.05.2013	28.02.2018	45.900	38.173	1.000	2,6%
	2 Community Development of improved Access to Quality Seed Programm (Japan Social Development Fund)*	02.05.2011	31.05.2014	850	850	837	98,5%
	3) Project Land Registration and Cadsatre System for Sustainable Agriculture *	12.10.2005	31.03.2015	20.613	20.169	15.305	75,9%
	4) Project Cotton Sector Recovery *	29.06.2007	31.03.2013	15.000	15.000	14.570	97,1%
	5) Fergana Valley Water Resources Management Project *	19.01.2006	31.05.2014	26.025	24.595	22.122	89,9%
	6) Emergency Food Security and Seed Import Project *	03.03.2010	01.05.2013	6.250	6.250	6.094	97,5%
Environment	7) Central Asia Hydrometeorology Modernization Project	01.10.2011	31.08.2016	13.000	6.000	651	10,8%
	1) Second public employment for sustainable agriculture and water resources management project (PAMP II)*	03.05.2013	28.02.2018	45.900	7.727	560	7,2%
	8) Environmental Land Management and Rural Livelihoods Project *	04.10.2013	31.05.2018	14.850	14.850	34	0,2%
Energy	9) 'Energy loss reduction' Project , OSHPC 'Barqi Tojik'*	08.09.2005	31.12.2014	29.134	21.372	17.954	84,0%
Water, Sanitation and HMS	10) Second Dushanbe Water Supply Project (WB)*	12.10.2011	31.12.2015	4.221	3.694	1.732	46,9%
	11) Project 'Municipal Infrastructure Development' *	21.02.2006	31.12.2015	24.935	22.212	20.393	91,8%
Health	12) Pilot nutrition investments in severely food insecure districts of Khatlon province project Social Welfare and Labor *	10.10.2010	30.09.2013	2.800	2.800	2.483	88,7%
Social Welfare and Labour	13) Rapid social response project Executive office of the President of the Republic of Tajikistan (RSRP)*	15.06.2011	31.12.2014	1.770	1.770	1.698	95,9%
	14) Project of strengthen of the migration system of the Executive Office of the President of the Republic of Tajikistan *	31.05.2011	31.05.2014	137	137	123	89,8%
	15) Social Safety Net Strengthening Project *	13.06.2011	31.12.2014	80	80	80	100,0%
Education	16) Additional Financing for Tajikistan Education Modernization Project *	23.09.2010	30.06.2013	2.126	2.126	2.126	100,0%
	17) Ecuation for all - fast track initiative catalitic trusted fund *	16.04.2010	30.06.2013	13.500	13.500	13.500	100,0%
	18) Russia Education Aid for Development trust fund phase II Project - READ Grant *	28.07.2011	31.10.2014	2.690	2.122	1.813	85,4%
	19) Global Partnership for Education *	01.10.2013	30.09.2016	16.200	16.200		0,0%
Private Sector and Industry	20) Private Sector Competetiveness Project *	07.09.2012	31.12.2016	10000	10000	135	1,4%
Total/average%			4,9 years	250.082	229.628	123.211	53,7%

* - Projects implemented in accordance with the LSIS, 2013-2015

Figure 29. World Bank investment funds disbursement by sector in 2013



Out of the total volume of investment funds disbursed in 2013 in the amount of US\$ 32,179 thousand provided by the World Bank Group to the Republic of Tajikistan, the largest part is aimed at supporting Agriculture and Irrigation - US\$ 10,990 thousand (34.2% of all aid provided by WB). The bank allocated US\$ 6.816 million (21.2%) to support and develop Education sector, US\$ 6,253 thousand (19.4%) to develop Energy sector, US\$ 5.458 thousand (17.0%) to support Water, Sanitation and HMS sector, US\$ 1,115 thousand (3.5%) to support and develop Environment sector, US\$ 1,033 thousand (3.2%) to develop Social Welfare and Labor sector, US\$ 378 thousand (1.2%) to support and develop Health sector, and US\$ 135 thousand (0.4%) to develop Private sector and Industry.

From the World Bank investment funds disbursed in 2013, grants are 98.9% (US\$ 31.826 thousand), concessional loans - 1.1% (US\$ 353 thousand).

Disbursement of World Bank Group investment funds in 2013 amounted to 76.8% of liabilities.

Figure 30. Implementation of World Bank investment funds by region in 2013

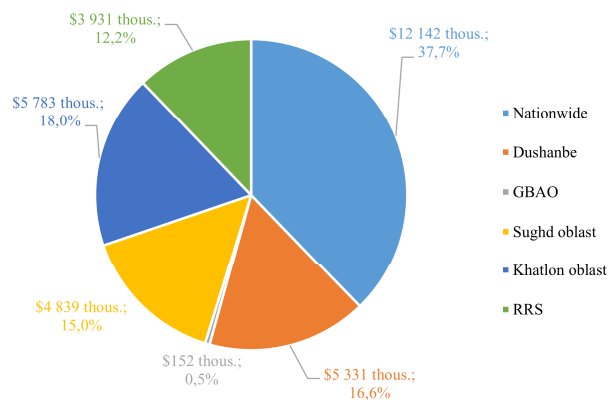


Figure 30 shows details of the WB investment funds disbursement in 2013 by region.

In 2013 the largest proportion of the World Bank investment funds has been implemented by the projects of national significance, and totaled US\$12,142 thousand, or 37.7% (the Projects 'Land Registration & Cadastre System for Sustainable Agriculture' with total cost of US\$ 20,613 thousand, 'Fergana Valley Water Resources Management' with the total cost of US\$ 26,025 thousand, 'FTI Catalytic Fund project: Education for All' with total cost of US\$ 13,500 thousand, etc.).

The disbursement of investment funds for Khatlon oblast projects totaled US\$ 5,783 thousand or 18%. This was achieved mainly due to the implementation of such projects as 'Municipal Infrastructure Development Project' with disbursements of US\$

2,469 thousand, 'Tajikistan - Second Public Employment for Sustainable Agriculture and Water Resources Management Project' for which the disbursements in 2013 totaled to US\$ 1,560 thousand, etc.

In Sughd oblast the disbursement of World Bank investment funds totaled to US\$ 4,839 thousand or 15.0% in 2013 (the 'Fergana Valley Water Resources Management Project' total cost of US\$ 26,025 thousand, the project 'Land Registration & Cadastre System for Sustainable Agriculture' with a total cost of US\$ 20,613 thousand, etc.).

Dushanbe accounts for US\$ 5,331 thousand or 16.6% of the amount of World Bank investment funds spent in 2013, RRS - US\$ 3,931 thousand or 12.2%, GBAO - US\$ 152 thousand or 0.47%.

In March this year, the World Bank Group of Directors has approved funding of US\$ 526.5 million in grants and loans for the '1000 Electricity Transmission and Trade Project for Central Asia and South Asia (CASA)' for four countries: Afghanistan, Kyrgyzstan, Pakistan and Tajikistan. Out of the total funding from the World Bank project CASA -1000, Tajikistan will receive \$ 45 million in the form of grant funding. The Government of Tajikistan has allocated \$ 15 million from its own budget and resources to support the construction costs. The project will support the construction of 475 km of transmission lines 500 kV HV PT to transmit electricity from the Kyrgyz Republic to Tajikistan, Khujand city and construction of the converter station sweat HV 1,300 MW in Tajikistan.

ASIAN DEVELOPMENT BANK

Tajikistan joined ADB in 1998. Over the past years, the bank has approved soft loans, grants and technical assistance for the country in the amount of over US\$ 1.2 billion. Tajikistan is the recipient of the concessional loan funds from the ADB Asian Development Fund (ADF) in the form of the loans and grants. Beginning with the reporting year 2008, ADF funding is allocated on a 100% grant basis due to the risk of instability of the external debt. However, the improved situation with Tajikistan's external debt will make it possible to receive loans again.

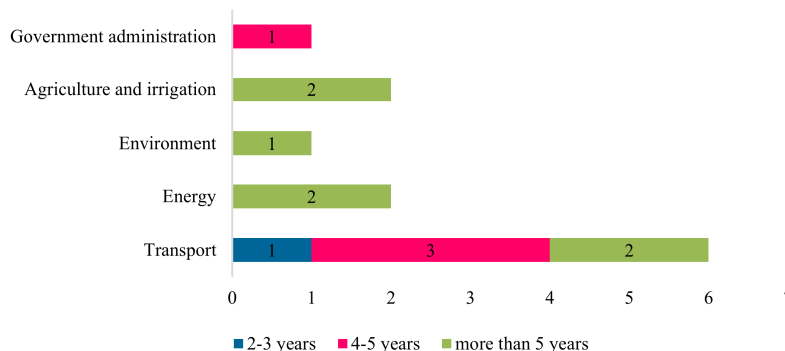
The Partnership Strategy for 2010-2014 agreed by the Government of the Republic of Tajikistan and ADB aims to assist Tajikistan in strengthening energy and transport communications, as well as developing the private sector and diversifying the economy.

The bank is also supporting the government's efforts to extend regional ties under the Central Asian Regional Economic Cooperation in order to address the issues of accountability and transparency in governance, as well as to address the challenges related to climate change and other environmental problems.

Together with other development partners, ADB is promoting adaptation and mitigation measures for such problems as increased land degradation, deforestation and water pollution.

Figure 31 provides details of the investment projects portfolio of ADB for varying durations by sector for 2013. In 2013, a total of 11 investment projects were implemented, out of which 6 projects or 54.5 % are for over five years. The figure shows that the number of projects for more than 5 years is 7 projects. It should be noted that the 'Khatlon Province Flood Management Project' is being implemented in two sectors, namely in the Agriculture and Irrigation and the Environment sector.

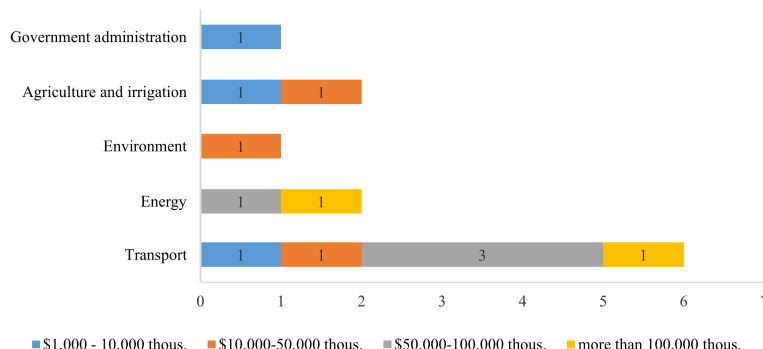
Figure 31. ADB investment funds disbursement by sector in 2013



The number of investment projects with a duration of 4-5 years is 4 projects or 36.4%. Projects with such a duration are implemented in the Transport sector (3 projects) and Government Administration(1 project).

Figure 32 provides details of the ADB investments projects portfolio by sector in 2013.

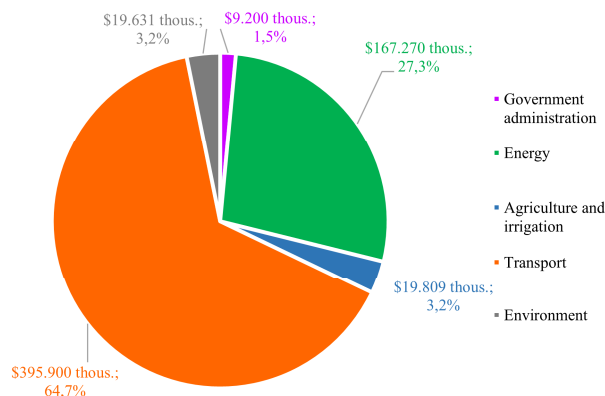
Figure 32. Asian Development Bank investment projects portfolio of various costs, by sector in 2013



The analysis showed that during the reporting period out of 11 investment projects 2 projects or 18.2% had a value of over US\$ 100,000 thousand and three, or 27.3% of the project had cost within US\$ 50,000-100,000 thousand. These projects were implemented in Transport and Energy sectors. Three projects or 27.3% had a value of US\$ 10,000-50,000 thousand and 2 projects or 18.2% of the project cost had US\$ 1,000-10,000 thousand.

Thus, in 2013, all ADB investment projects were long-term. More than 80% of realized investment projects have cost of over US\$ 10,000 thousand.

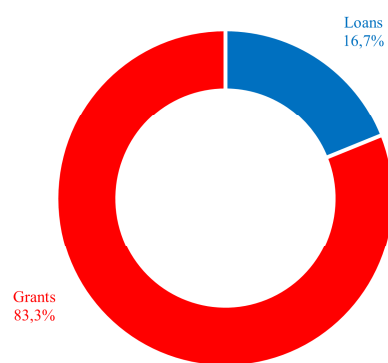
Figure 33. Asian Development Bank investment projects by sector



The total value of the Asian Development Bank investment projects portfolio is US\$ 611,809 thousand. Asian Development Bank financing activities are concentrated mainly in two sectors - Transport (US\$ 395,900 thousand, or 64.7%) and Energy (US\$ 167,270 thousand, or 27.3%), totaling to 92.0% of the total financing portfolio or US\$ 563,170 thousand.

Also, in addition to the above-mentioned two sectors, Asian Development Bank financing portfolio includes the following sectors: Agriculture and Irrigation - US\$ 19,809 thousand or 3.2%, Environment - US\$ 19,631 thousand or 3.2%, and Government Administration - US\$ 9,200 thousand or 1.5%.

Figure 34. Asian Development Bank investment projects portfolio by loans and grants



2013 totaled to US\$ 90,503 thousand. It should be noted that if the nature of changes in the dynamics of development of the volume of investment in 2002-2010, mainly determined by the character of 'curve' for the volumes of loans disbursements, and in 2011-2013 the overall dynamics of the investment funds disbursements determined by the dynamics of development grants. Throughout the last two years a significant prevalence in grants over the volumes of loans is noticed.

As noted above, the Asian Development Bank portfolio includes 11 investment projects (Table 18), all these projects are implemented within LSIS 2013-2015.

Out of the US\$ 611,809 thousand of ADB financing portfolio, US\$ 102,039 thousand or 16.7% are allocated in the form of loans, and US\$ 509,770 thousand or 83.3% - in the form of grants.

Figure. 35 presents the dynamics of the disbursements for the investment funds of the Asian Development Bank for the period 2002-2013.

During the period of 2002-2009 the annual volumes of the disbursements for the investment funds, as a whole, as well as for loans and grants had growth tendency. Starting 2010 a significant decrease in the annual volume of loans and an acute increase in the annual amount of the grant was noticed. Overall, for the period 2010-2013 the annual volumes of the investment funds disbursements increased and in

Figure 35. Investment fund disbursement by Asian Development Bank during 2002-2013

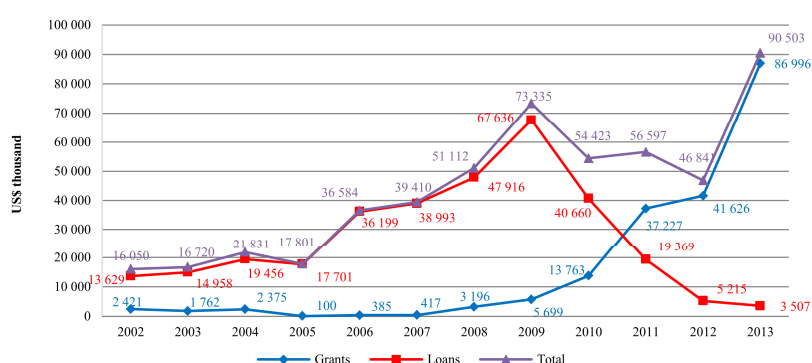


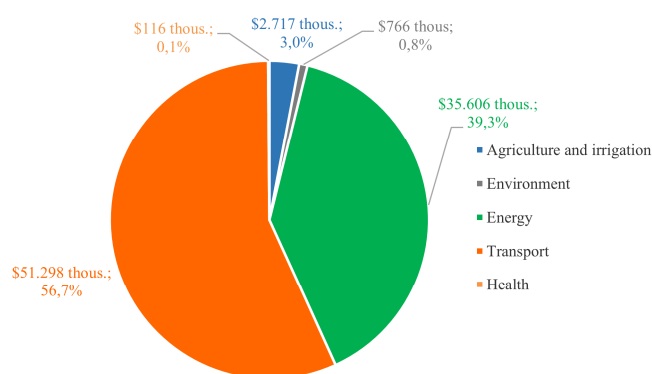
TABLE 18. The portfolio of the Asian Development Bank's ongoing investment projects in 2013

Sector	Name of Project	Beginning date	Ending date	Project cost (US\$ 000s)	Total commitments (US\$ 000s)	Total disbursements (US\$ 000s)	Disbursement rate (%)
Government administration	1) Central Asia Regional Economic Cooperation Regional Improvement of Border Services Project *	01.07.2013	30.06.2018	11.118	9.200		0,0%
Energy	2) Nurek 500kV Switchyard Reconstruction Project *	22.02.2010	31.12.2015	54.770	54.770	30.650	56,0%
	3) Regional power transmission project *	13.10.2010	31.08.2016	112.500	112.500	18.125	16,1%
Agriculture and irrigation	4) ** Khatlon Province Flood Risk Management Project *	28.02.2008	30.06.2014	28.500	2.709	2.709	100,0%
	5) Project 'Rural Development' *	14.09.2007	31.03.2014	23.300	17.100	8.987	52,6%
Transport	6) Dushanbe - Kyrgyz Border, Road Rehabilitation Project Phase 2 *	15.07.2006	28.02.2013	67.961	50.000	51.206	102,4%
	7) CAREC Regional Road Corridor Improvement Project, Phase 3*	22.05.2008	30.09.2013	76.500	53.400	53.320	99,9%
	8) Dushanbe Uzbekistan border road rehabilitation Project CAREC - 3*	20.01.2011	31.07.2015	131.216	120.000	59.944	49,9%
	9) Corridor 6 (Ayni-Uzbekistan Border Road) Improvement Project *	30.10.2012	30.09.2016	136.000	100.000	26.275	26,3%
	10) CAREC Corridor improvement 3 and 5. The contract for the rehabilitation and reconstruction of roads Vose-Hovaling *	28.09.2013	31.10.2017	76.900	70.000	4.868	7,0%
	11) Improved Maternal and Child Health through Connectivity *	09.04.2013	31.03.2016	2.886	2.500	159	6,4%
Environment	4)** Khatlon Province Flood Risk Management Project *	28.02.2008	30.06.2014	28.500	19.631	19.297	98,3%
Total/average%			5,2 years	720.694	611.809	275.538	45,0%

* - Projects implemented in accordance with the LSIS, 2013-2015

** - Projects implemented in two sectors

Figure 36. Asian Development Bank disbursement of investment funds by sector in 2013

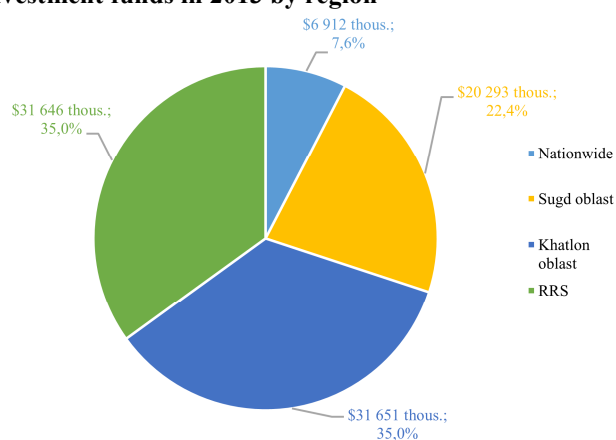


disbursed, in Environment sector US\$ 766 thousand or 0.8% was disbursed, and in Health sector US\$ 116 thousand or 0.1% was disbursed.

In 2013 the disbursements of Asian Development Bank investment funds was 111.0% of liabilities. The disbursement of funds was 113.0%, while the disbursement of loans amounted to 76.7% of liabilities. An excess payments on grants over liabilities is primarily due to the fact that 'the Project for the Advancement of CAREC Corridor 6 (Aini - Uzbek border)' the expenditure under item 'civil works and construction' funds disbursements was US\$ 14,705 thousand with liabilities of US\$ 8,975 thousand or 163.8%.

The volume of the investment funds disbursements in 2013 on the projects implemented in the context of LSIS 2013-2015 was US\$ 71,071 thousand or 78.5% of the total amount of ADB disbursed investment funds in 2013.

Figure 37. Asian Development Bank expenditure of investment funds in 2013 by region



Disbursements of the ADB investment projects by 31.12.2013 totaled to US\$ 275,738 thousand or 45.0%. The average duration of ADB investment projects is 5.2 years.

In 2013 the total disbursements provided by the Asian Development Bank in the form of grants was US\$ 86,996 thousand or 96.1%, and in the form of soft loans was US\$ 3,507 thousand or 3.9%.

Out of the total volume of disbursed investment funds provided by the Asian Development Bank to the Republic of Tajikistan in 2013 in the amount of US\$ 90,503 thousand, the largest part was aimed at the development of Transport sector - US\$ 51,298 thousand (56.7% of the total amount of the disbursed investment funds). In Energy sector US\$ 35.606 thousand or 39.3% was disbursed, in Agriculture sector US\$ 2,717 thousand or 3.0% was

Figure 37 reflects the disbursement of Asian Development Bank's investment funds in 2013 by region.

Large part of the ADB investment funds in 2013, was disbursed in the Khatlon oblast totaling to US\$ 31,651 thousand or 35.0%. This has mainly happened due to the implementation of such investment projects as the 'Regional Power Transmission Project', 'Replacement of Switchyard 500kV at the Nurek HPP', 'Khatlon Flood Risk management Project'.

In RRS the disbursement of the investment funds totaled to US\$ 31,646 thousand or 35.0% ('Rehabilitation of Dushanbe-Uzbekistan border. CAREC Corridor-3', 'CAREC Regional Road Corridor Improvement Project, Phase 3' 'Regional

Power Transmission Project').

In 2013, ADB allocated US\$ 20,293 thousand or 22.4% of investment funds to Sughd oblast ('CAREC Corridor 6 Improvement Project (Ayni-Uzbekistan Border Road)', and 'Regional Power Transmission Project').

The disbursement of the ADB investment funds on the nationwide projects was US\$ 6,912 thousand or 7.6% ('CAREC Regional Road Corridor Improvement Project', Phase 3', 'Rehabilitation of the Dushanbe-Uzbekistan border road, CAREC Corridor-3', etc.).

Late last year, the Asian Development Bank has approved a grant for an amount of US\$ 136 million for a project on increasing the supply of renewable energy into the national and regional energy system. It is the largest grant provided by this organization to Tajikistan. In the framework of this project the mechanical and electrical equipment of the "Golovnoy" Hydro Power Plant located 80 kilometers from Dushanbe, will be upgraded.

ISLAMIC DEVELOPMENT BANK

Tajikistan joined the IDB in December 1996. Over the last 15 years, the Republic of Tajikistan has successfully cooperated with the Islamic Development Bank, primarily in the area of financing public sector projects that are of a high priority for the country.

IDB loan conditions are standard. Loans are given for 25 years with a grace period of 7 years. Payment for the loan services is 2.5% per annum, which is necessary to cover the project administration costs.

The total value of the Islamic Development Bank investment projects portfolio is US\$ 124,931 thousand. The financing activities of the Islamic Development Bank are aimed at the development of the following sectors - Transport (US\$ 38.687 thousand, or 31.0%), Energy (US\$ 25.225 thousand, or 22.2%), Agriculture and Irrigation (US\$ 15.804 thousand or 12.7%), Water, Sanitation and HMS (US\$ 15.220 thousand or 12.26%), Education (US\$ 17,490 thousand or 14.0%), and Health (US\$ 12,505 thousand or 10.0%).

It should be noted that the portfolio of Islamic Development Bank financing only includes concessional loans.

The portfolio of Islamic Development Bank consists of eight investment projects (see Table 19 for details), all of which are being implemented within the framework of the LSIS.

Figure 38. Islamic Development Bank investment projects portfolio by sector

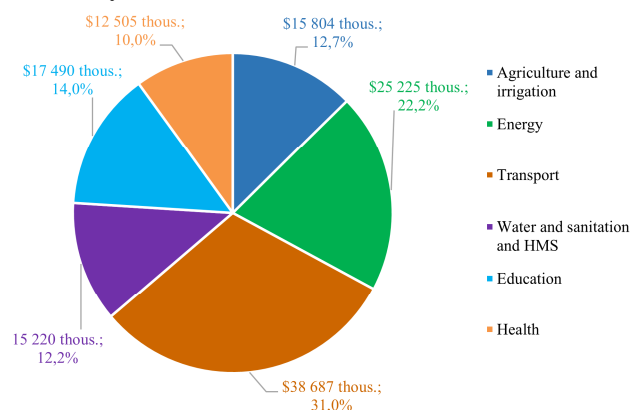


TABLE 19. The portfolio of the Islamic Development Bank's ongoing investment projects in 2013

Sector	Name of Project	Beginning date	Ending date	Project cost (US\$ 000s)	Total commitments (US\$ 000s)	Total disbursements (US\$ 000s)	Disburse rate (%)
Agriculture and irrigation	1) Dangara Valley Irrigation Project, Phase II *	26.07.2008	08.10.2015	33.726	15.804	7.811	49,4%
Transport	2) Road Project Construction of "Shagon Zigar" Phase-3 *	27.06.2011	31.12.2014	22.022	18.687	16.410	87,8%
	3) Kulyb-Kalai-Khumb road construction project *	30.12.2011	31.12.2014	92.900	20.000	8.210	41,1%
Water and sanitation and HMS	4) Project 'Dushanbe Water Supply' *	18.04.2004	30.06.2014	17.783	15.220	12.504	82,2%
Education	5) Project "Reconstruction and completion of secondary schools" – Phase III *	02.09.2012	31.12.2017	20.040	17.490	33	0,2%
Health	6) Project "Construction and Equipping of Khatlon Interdistrict Multipurpose Hospital" *	31.05.2006	30.06.2014	23.275	12.505	11.915	95,3%
Energy	7) Project "Construction of Mini HPP in Rural Areas of Tajikistan" *	01.08.2005	31.01.2013	13.569	11.158	11.150	99,9%
	8) Regional power transmission interconnection project*	18.01.2008	30.06.2013	58.067	14.067	13.980	89,3%
Total/average%			6,3 years	281.382	124.931	82.013	65,6%

* - Projects implemented in accordance with the LSIS, 2013-2015

In 2013, out of the total amount of investment funds provided by Islamic Development Bank to Tajikistan in the amount of US\$ 17.360 thousand, the largest share was spent on developing the Transport sector, totalling US\$ 9.457 thousand (54.5% of the total allocated by IDB).

In 2013 disbursement of IDB investment funds was 76.7% of commitments.

Figure 40 shows Islamic Development Bank's disbursement of investment funds by region in 2013.

The largest part of the IDB investment funds in 2013 has been disbursed in the Khatlon oblast - US\$ 9,028 thousand or 52.0%. This is mainly due to the implementation of investment projects such as 'Building a regional electricity transmission line interconnection' with a total value of US\$ 58.0670 thousand, 'Construction and equipping of inter-district and interdepartmental hospitals of the Khatlon region' with a total cost of US\$ 23.275 thousand, 'Dangara Valley Irrigation Project, phase 2' with the total cost of US\$ 33,726 thousand, etc.

In 2013, IDB disbursed investment funds in GBAO totalling US\$ 5.309 thousand or 30% of IDB investment funds), for the (Project: 'Construction of Shagon-Zigar Road, Phase 3' with a total cost of US\$ 22,022 thousand).

In Dushanbe city in 2013 the disbursement of IDB investment funds totaled US\$ 1,614 thousand or 9.3% (Dushanbe Water Supply Project with the total cost of US\$ 17,783 thousand).

Disbursement of the investment projects of national significance amounted US\$ 180 thousand or 1.0%. In RRS during the reporting year US\$ 699 thousand or 4.0% was disbursed, and in Sugd oblast - was disbursed US\$ 530 thousand or 3.1%.

Figure 39. Islamic Investment Bank disbursement of investment funds by sector in 2013

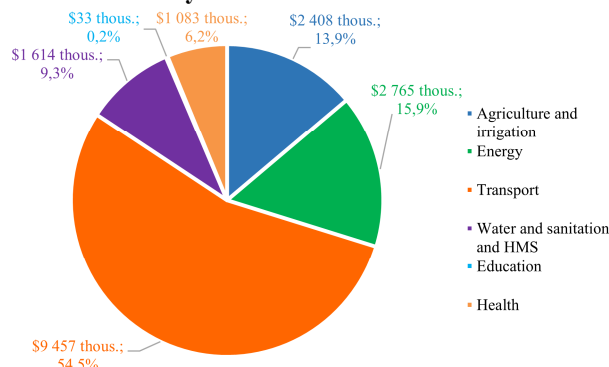
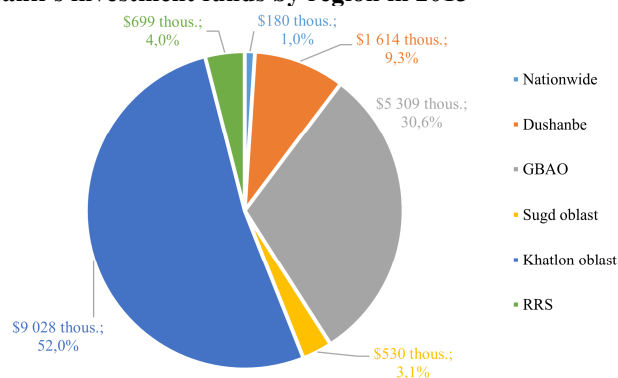


Figure 40. Disbursement of the Islamic Development Bank's investment funds by region in 2013



SAUDI FUND FOR DEVELOPMENT

On December 1, 1992 Tajikistan became a member of the Organization of the Islamic Conference (OIC). Within the framework of OIC there are over 100 Islamic banks and financial - credit institutions, including the Saudi Fund for Development, which along with the IDB, KFAED and others, starting 1997 is supporting the development of Tajikistan.

In August last year, Tajikistan and Saudi Fund for Development signed a loan agreement for the project 'Construction and equipment of a number of secondary schools' (phase 3). The aim of the project was construction, reconstruction and full furnishing and equipping 15 schools throughout different regions of Tajikistan. This Project creates an opportunity to provide over 9.2 thousand students in one shift (two shifts 18.4 thousand students) with new seats, and creates conditions for new jobs for over two thousand teachers and technical staff of schools. The total project cost is US\$ 25 million, including a SFD loan in the amount of US\$ 24.2 million and the contribution of the Government of Tajikistan in the amount of US\$ 750 thousand. The project 'Construction and equipment of a number of secondary schools' (phase 3) starts in August 2013 and will run until 2018.

The total value of the Saudi Development Fund investment projects portfolio is US\$ 41.800 thousand. SFD financing activities are aimed at the development of the following sectors - Transport (US\$ 20,000 thousand or 47.8%), Education (US\$ 12,000 thousand or 28.7%) and Health (US\$ 9,800 thousand or 23.5%).

It should be noted that the portfolio of the Saudi Development Fund financing includes only concessional loans.

SFD portfolio includes three investment projects (see Table 20), which are carried out within the framework of LSIS.

Figure 41. The Saudi Fund for Development investment projects portfolio by sector

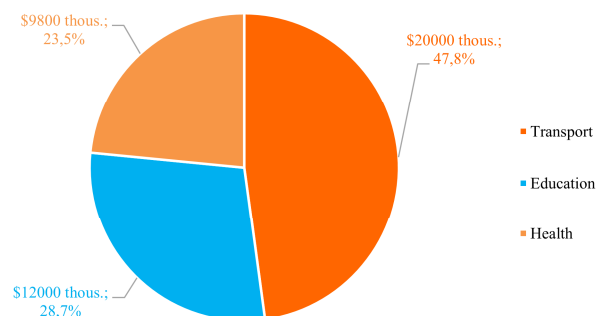


TABLE 20. The portfolio of the Saudi Fund for Development's ongoing investment projects in 2013

Sector	Name of Project	Beginning date	Ending date	Project cost (US\$ 000s)	Total commitments (US\$ 000s)	Total disbursements (US\$ 000s)	Disbursement rate (%)
Transport	Kulyb-Kalai-Khumb road construction project*	30.12.2011	31.12.2014	92.900	20.000	7.985	39,9%
Education	"Construction and equipment of secondary schools project", Phase II *	03.06.2008	31.12.2015	13.148	12.000	4.992	41,6%
Health	Project "Rehabilitation and equipping of hospital for maternal and child care of Khudjand" *	30.05.2009	31.12.2013	9.800	9.800	9.800	100,0%
Total/average%		5,1 years		115.848	41.800	22.777	54,5%

* - Projects implemented in accordance with the LSIS, 2013-2015

Out of the total volume of the investment funds disbursed in the amount of US\$ 6,996 thousand in 2013, provided by the Saudi Fund for Development to the Republic of Tajikistan, the largest part was aimed at the development of Transport sector - US\$ 3,665 thousand (52.2% of the total assistance provided by the SFD). In Education sector investment funds in the amount of US\$ 2,917 thousand or 41.7% were spent, and in Health sector - US\$ 425 thousand or 6.1%.

Disbursement of the SFD investment funds in 2013 totaled to 63.5% of liabilities. In Transport sector development investment funds made 47.6%, and in Education and Health sectors - 100.0% of liabilities.

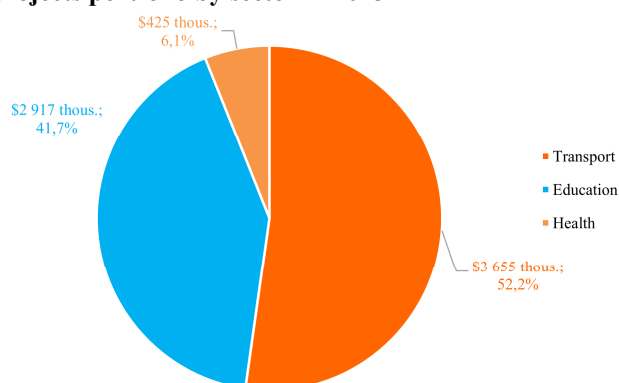
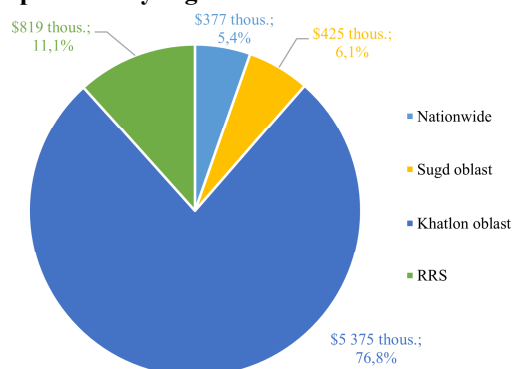
Figure 43 reflects the disbursement of Saudi Fund for Development investment funds by region in 2013.

The largest share of SFD investment funds in 2013 was disbursed in the Khatlon oblast - US\$ 5,375 thousand or 76.8%. This is mainly due to the implementation of the investment project 'Kulob - Kalai Khumb Road Construction' with the total cost of US\$ 92.900 thousand.

In RRS under the project 'Construction and equipping of schools', II - phase" in 2013, an amount of US\$ 819 thousand or 11.1% was disbursed out of the total SFD investment funds, disbursed throughout the year.

Disbursement of SFD investment funds, nationwide was US\$ 377 thousand or 3.4% (project 'Construction and Equipment of Schools , II - Phase').

In Sughd region the disbursement of SFD investment funds in 2013 totaled to US\$ 425 thousand or 6.1% (the project "Modernization and further Development of Obstetric and Gynecologic and Neonatal Services in Sughd Province").

Figure 42. The Saudi Fund for Development investment projects portfolio by sector in 2013**Figure 43. The Saudi Fund for Development investment projects portfolio by region in 2013**

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

The EBRD is the largest investor in the Central Asian region and beyond allocation of its own funds it does attract significant volume of the foreign direct investments. Cooperation between EBRD and Tajikistan commenced in 1992 with the provision of the technical assistance, and since 1996 the EBRD provides concessional crediting to public investment projects. During the years of cooperation, the EBRD invested in Tajikistan's economy about \$ 400 million supporting 77 projects in various sectors.

In March 2012, the EBRD Board of Directors approved a new country strategy for Tajikistan, which defines the efforts of the Bank in the country over the next three years from 2012 to 2015. In accordance with this strategy the Bank's activities in the country are focused on promoting the private sector, strengthening the financial sector and supporting critical infrastructure and improving energy supply, control and energy saving. In the area of private sector development priority will be given to the growth of micro, small and medium enterprises (MSMEs) through financial instruments, small and medium enterprises, lines of credit and trade promotion programs. The financial sector will be enhanced by using variety of methods, including broadening the range of credit products and the provision of Average Financing Mechanisms to the relevant local banks. To maintain the country's infrastructure, the Bank will facilitate a commercialization, while concentrating on the basic needs of the population and affordability.

Figure 44. EBRD Fund investment projects portfolio by sector

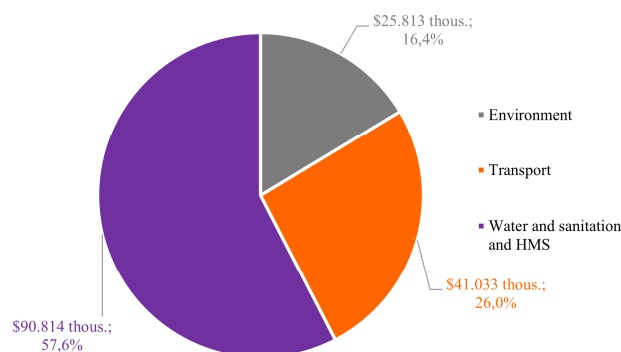
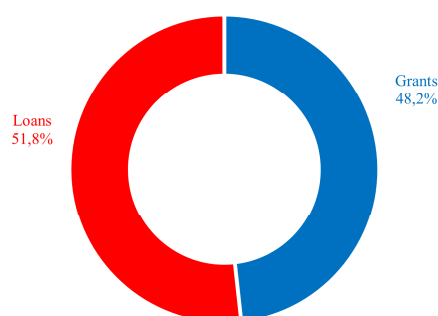


Figure 45. EBRD Fund investment projects portfolio by loans and grants



The EBRD investment projects portfolio amounts to US\$ 157,660 thousand. EBRD assistance to Tajikistan aimed at development of the following sectors - Environment (US\$ 25.813 thousand or 16.4%), Transport (US\$ 41.033 thousand or 26.0%) and Water, Sanitation and HMS (US\$ 90.814 or 57.6%).

The EBRD funding portfolio is represented by the 48.2% of grants or US\$ 76,060 thousand, and 51.8% or US\$ 81.600 thousand concessional loans.

The European Bank for Reconstruction and Development Portfolio includes 12 investment projects (see Table 21), which are carried out within the framework LSIS 2013-2015.

In 2013, actual spending of EBRD investment funds amounted to US\$ 13.735 thousand or 54.6% of annual commitments.

AIMS contains information about each investment project, about its goals and implementation status, project duration, sources of funding, and total commitments and disbursements since the start of project implementation and for 2013, as well as presents data about funding by type of expenditures, by sector and regions.

All stakeholders that are interested in the process of mobilization and use of foreign aid may obtain information and conduct more detailed analysis and

assessments on areas of interest, by making specific queries through AIMS.

Portfolio review of public investment projects, implemented through the use of updated data from the Aid Information Management System in 2013, revealed the following trends in the foreign investment assistance in Tajikistan:

- 54% of aid, attracted to Tajikistan, is provided in the framework of joint investment projects. The total portfolio of joint investment projects under implementation in 2013 amounted to 61 projects totaling US\$ 1,842,237 thousand, of which US\$ 1,689,332 thousand are accounted as external resources (91.70%), US\$ 148,219 thousand - Government's contribution (8.05%) and US\$ 4,686 thousand - other funds (0.25%);
- the largest share in the portfolio accounts for infrastructure sectors: Transport (50.0%) and Energy (19.5%). Also the portfolio of investment projects includes such sectors as: Agriculture and Irrigation (11.5%), Water, Sanitation and HMS (6.7%), Education (4.9%), Environment (3.9%), Health (2.2%), Government Administration (0.7%) and Social Welfare and Labor (0.1%);
- the disbursement of investment funds in the period of 2002-2008 tended to increase, and since 2009, there is a decrease in amount of aid received in the framework of the investment projects. At the same time the disbursement of the investment funds in 2013 increased by US\$ 65,571 thousand or 35% compared to the previous year;
- during the period of 2002-2013 the volume of investment funds disbursement amounted to US\$ 2,608,580 thousand or 73.8% of the total investment funds from the stipulated agreements, including the disbursement of credit resources amounted to US\$ 1,814,506 thousand (69.6%), disbursement of grant funds - US\$ 619,370 thousand (23.7%), disbursement of funds on deposits of the Government of the Republic of Tajikistan - US\$ 143,512 thousand (5.5%) and other disbursements/other sources - US\$ 31,191 thousand (1.2%);

TABLE 21. The portfolio of the European Bank for Reconstruction and Development's ongoing investment projects in 2013

Sector	Name of Project	Beginning date	Ending date	Project cost (US\$ 000s)	Total commitments (US\$ 000s)	Total disbursements (US\$ 000s)	Disbursement rate (%)
Environment	1) Project "Dushanbe Solid Waste Management" *	29.07.2008	31.12.2013	9.993	9.993	9.616	96,2%
	2) Solid Waste Management Project Khujand *	01.05.2012	31.03.2015	5.940	5.940	2.206	37,1%
	3) Kurgan-Tyube Solid Waste Management Project*	30.06.2013	30.06.2016	4.940	4.940		0,0%
	4) Tursun-Zade Solid Waste Management Project *	31.10.2013	31.12.2017	4.940	4.940		0,0%
Transport	5) Dushanbe-Uzbek Border Road Improvement Project *	27.07.2012	31.12.2015	37.383	37.383	412	1,1%
	6) Modernization Project of OJSC "Khujand International Airport" *	22.04.2013	30.06.2015	3.650	3.650		0,0%
Water and sanitation and HMS	7) "Khujand Water Supply Improvement Project, Phase II" *	01.05.2009	31.04.2014	8.883	3.171	3.117	98,3%
	8) South Tajikistan Water Rehabilitation Project *	01.12.2009	31.12.2013	9.273	9.273	9.046	97,6%
	9) North Tajikistan Water Rehabilitation Project *	24.11.2011	31.12.2015	24.980	24.980	6.862	24,7%
	10) Central Tajikistan Water Rehabilitation Project *	15.02.2013	15.01.2016	20.450	20.450	1.678	8,2%
	11) - Khatlon Tajikistan Water Rehabilitation Project *	14.12.2012	14.12.2015	14.612	14.612		0,0%
	12) North Tajikistan Water Rehabilitation Project, Phase II *	14.12.2012	14.12.2015	18.328	18.328		0,0%
Total/average%		3,6 years		163.372	157.660	32.937	20,9%

* - Projects implemented in accordance with the LSIS, 2013-2015

- for the period 2002-2013, the share of the grant component of the total disbursed investment funds increased from 15.8% in 2002 to 60.2% in 2013, and the share of loans has decreased from 84.2% in 2002 to 39.8% in 2013;

- investment assistance from donor countries through bilateral cooperation, that reached the largest volumes in 2008 in the amount of US\$ 305,127 thousand, decreased in subsequent years and in 2013 amounted to US\$ 84,432 thousand. In the structure of bilateral aid organizations a tendency of reduction in the proportion of aid in the form of grants was noticed, and increase in the share of aid in the form of loans. So during the ten-year period of 2004-2013, the annual share of bilateral organizations in total grant aid decreased from 79.7% to 15.9%, and in total concessional loans increased from 10.4% to 59.3%;

- investment assistance of multilateral organizations for the period of 2002-2013 tended to increase from US\$ 59,604 thousand to US\$ 170,018 thousand. In the multilateral organizations assistance structure a tendency of increase in the share of aid in the form of grants, and reduction of the share of aid in the form of loans was noticed. So, over the past ten years the proportion of these organizations in the grant component of the assistance has increased from 19.7% to 84.1%, while the share of aid in total volume of loans decreased from 89.6% to 40.7%;

- the total amount of the disbursed investment funds in 2013 by sectors makes 72% of the total amount and is accounted for two priority Infrastructure sectors: Transport (49.8%) and Energy (21.7%). In the sector of Water, Sanitation and HMS disbursement of investment funds amounted to 8.7%, the Government Administration - 7.9%, Education - 5.0% Health - 3.8%. The least utilized funds are in the Private sector and Industry - 0.05%;

- on the regional level, in 2013 Khatlon oblast accounts 50.4% (US\$ 128.218 thousand) of total disbursement on investment funds. Smaller volumes of assistance are presented by RRS- 47,926 US\$ thousand (18.9%), Sughd Oblast- US\$ 38,236 thousand (15.0%), Nationwide projects - US\$ 22,227 thousand (8.7 %), in Dushanbe - US\$ 11,480 thousand (4.5%), and Gorno Badakhshan Autonomous Oblast - US\$ 6,363 thousand (2.5%);

- major donors to the Republic of Tajikistan amongst the international financial institutions to support public investment projects are the Asian Development Bank (33.2% of the portfolio of public investment projects for 2013), World Bank (12.9%), European Bank for Reconstruction and Development (8.7%), the Islamic Development Bank (6.8%), Saudi Fund for Development (2.3%) and others. The major donor countries are China (15.1%), Japan (1.7%), Germany (1.3%), Switzerland (0.9%) and others.

The Aid Information Management System (AIMS) contains data for each investment project, its objectives and the status of implementation, implementation period, the sources of its funding, the amounts of commitments and disbursements from the beginning of project implementation and for 2013, and provides information on funding by the type of expenditure, sector and region.

The stakeholders interested in the process of attraction and usage of the foreign aid can get the information they need, based on the specific queries from the AIMS, and based on that conduct a more detailed analysis and assessment of the situation in the frame of the questions they are interested in. The information contained in the AIMS, can be used, including, for the joint reviews undertaken by the Government and development partners since 2004.

Joint reviews can effectively coordinate all efforts in the framework of the projects and operatively solve problems encountered in their implementation. At the last ninth joint review, held in June 2014, the Government and partners adopted a joint plan of action to carry out a systematic work to eliminate the problems associated with the implementation of the projects, to enhance their effectiveness and to identify ways of further cooperation.

THE CONTRIBUTION OF THE GOVERNMENT OF TAJIKISTAN IN PUBLIC INVESTMENT PROJECTS

The analysis in this section is based on information about the financing of public investment projects by the Government of the Republic of Tajikistan (GoT), contained in the annually updated AIMS.

Figure 46 shows the dynamics of annual government commitments and disbursements for 2002-2013.

During the review period, the government's contribution to the implementation of public investment projects was US\$ 143,513 thousand or 68.4% of commitments. The largest proportion of investments totaling US\$ 20,586 thousand was observed in 2010. In 2011 and 2012, there was a decrease in government investment, recovering again in 2013, with an increase of 40% as compared to 2012.

During recent years, there has been a decrease in state investment projects co-financed by the government and donors: since 2008, the number of

Figure 46. The dynamics of annual commitments and disbursements by the GoT for the period 2002-2013.

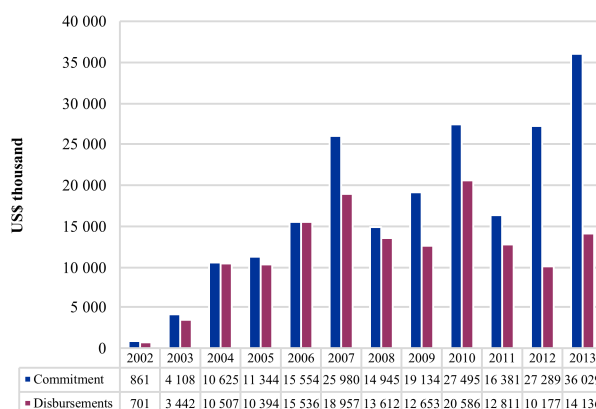
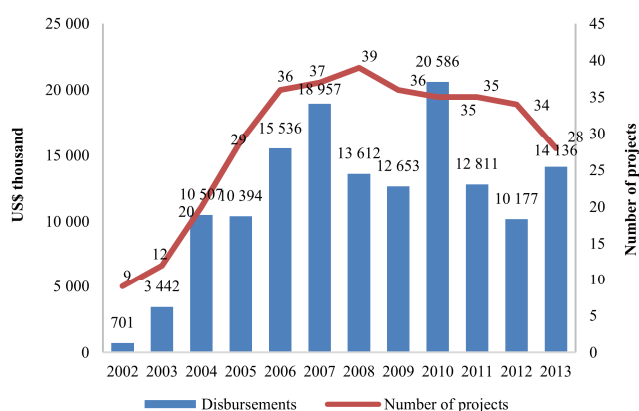


Figure 47. The dynamics between the quantity of the projects and the contribution of the GoT in its implementation in 2002-2013.



such projects has decreased by 11.

Figure 48. Contribution of the Government of the Republic of Tajikistan by sector in 2013.

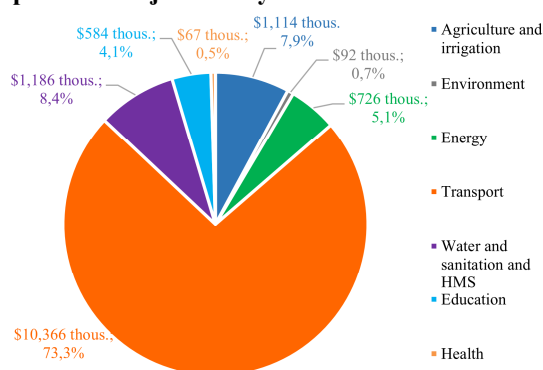


Figure 49. Contribution of the Government of Republic of Tajikistan by region in 2013.

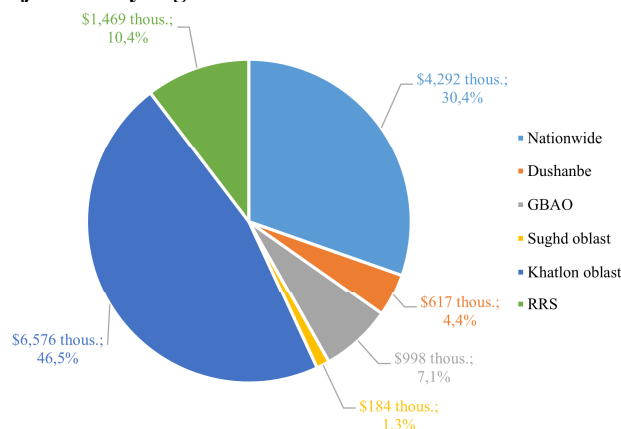
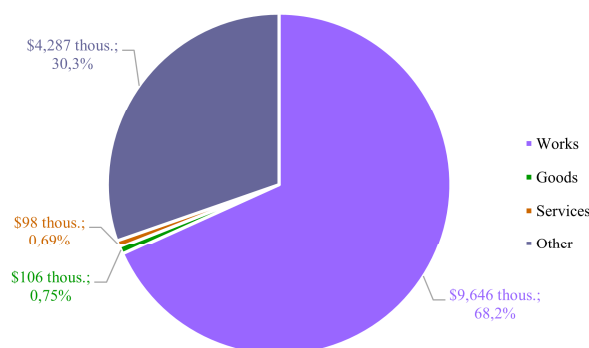


Figure 50. Contribution of the Government of the Republic of Tajikistan by category of expenditure in 2013.

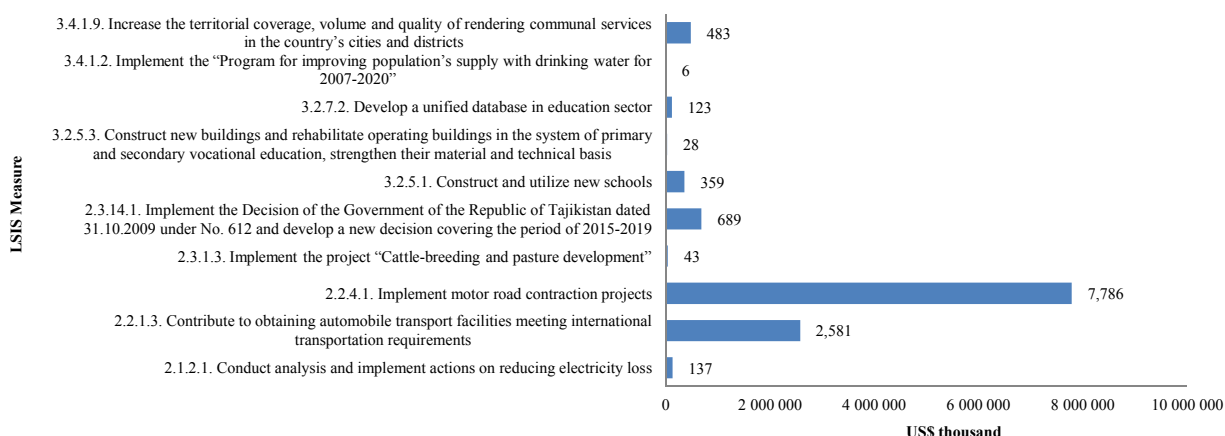


thousand (84.7%) allocated to the 'Infrastructure development' sector 'Transport and communications'.

In 2013, the government funded 10 LSIS measures under the 17 public investment projects.

A significant proportion of the governments' contribution is accounted for the LSIS measure; 'Implementation of road construction projects', totaling US\$ 7,786 thousand (or 63.6%).

Figure 52. LSIS measures funded by the Government of Republic of Tajikistan in 2013 under public investment projects.



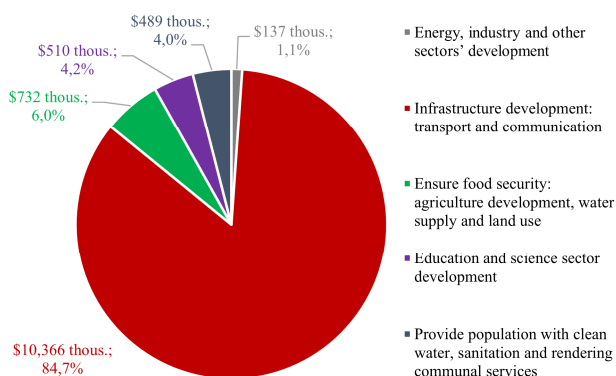
In 2013, the largest government contribution was made to the Transport sector, amounting to US\$ 10,366 thousand, or 73.3% of the total government contribution to joint investment projects for the reporting period.

The largest government contribution by region was for Khatlon oblast, amounting to US\$ 6,576 thousand or 46.5% of total government contributions in 2013.

The major expenditure category for government contributions was 'Works', amounting to US\$ 9,646 thousand (or 68.2%), with the lowest for 'Services', at US\$ 98,000 (or 0.69%). Within the 'Other expenses' category – which saw a significant contribution of US\$ 4,287 thousand (or 30.3%) – there is a high proportion of expenditures on project maintenance (76.8%).

In 2013, out of US\$ 14,136 thousand of the governments' total contribution US\$ 12,234 thousand (or 86.5%) has been utilised under LSIS 2013-2015. The largest government contribution based on the LSIS is the amount of US\$ 10,366

Figure 51. Contribution of Government of Republic of Tajikistan by LSIS 2013-2015 sectors in 2013



The major findings of the analysis lead to the following conclusions:

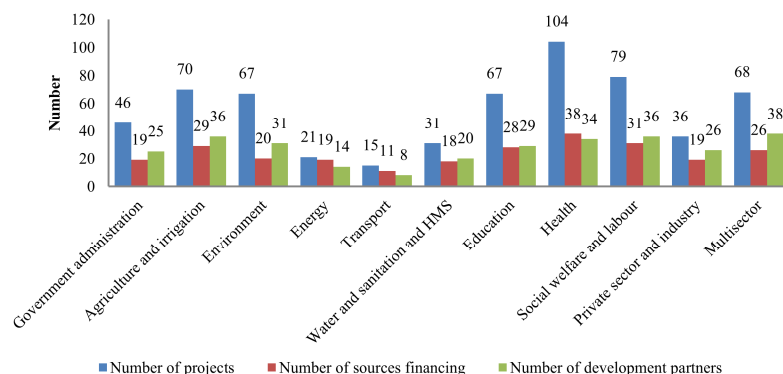
- the overall portfolio of joint investment projects under implementation in 2013 included 61 projects, totaling US\$ 1,842,237 thousand, of which US\$ 148,219 thousand (or 8.05%) was contributed by the Government of the Republic of Tajikistan;
- disbursements of government investment funds grew during the period 2002-2007, but these indicators under state investment projects declined in the beginning of 2008 (with the exception of 2010, where the government contribution to joint investment projects totaled US\$ 20,586 thousand). In 2013, the government contribution to joint investment projects was US\$ 14.136 thousand, 40% more than in 2012;
- in 2013, the largest government contribution was for the Transport sector: US\$ 10,366 thousand or 73.3% of the total Government contribution to joint investment projects during the reporting period. Other government contributions by sector were: Water, Sanitation and HMS - 8.4%; Agriculture and irrigation - 7.9%; Energy - 5.1%, Education - 4.1%; Environment - 0.7%; and Health - 0.5%;
- in the regional context, the largest government contribution was for Khatlon oblast, amounting to US\$ 6,576 thousand or 46.5% of the total contribution to joint investment projects in 2013. The investment projects at the Republican level received 30.4% of government contributions, while RRS received 10.4%; Badakhshan, 7.1%; Dushanbe, 4.4%; and Sughd, just 1.3%;
- in terms of the government contribution by category of expenditure, 'works' represent highest expenditure category - US\$ 9,646 thousand (or 68.2%), followed by 'Goods' - US\$ 106,000 thousand (0.75%), and 'Services' - US\$ 98,000 thousand (0.69%). 'Other expenses' totaled US\$ 4,287 thousand (30.3%), although 76.8% was spent on maintenance;
- in 2013, the government financed 10 LSIS measures, based on which 17 joint investment projects were implemented;
- government payments under the LSIS totaled US\$ 12,234 thousand or 86.5% of total the government contribution to the implementation of public investment projects in 2013. Approximately 92% of payments under LSIS have been implemented in the 'real economy' sector, namely for Transport, Energy and Agriculture and Irrigation, with the remaining 8% in the social sector.

6

ANALYSIS OF COMMITMENTS AND DISBURSEMENTS BY SECTOR

Analysis of donors' commitments and disbursements by sectors is a key element in examining the issues associated with external aid disbursement. Detailed information on all agreements, financed and implemented by development partners in each sector in 2013, is contained in the AIMS. Development partners annually update information on the status of all projects and agreements' implementation. The exceptions are some of the projects and agreements, for which the information on implementation status has not been updated by the relevant development partners.

Figure 53. The chart with number of projects, funding sources and development partners by sectors in 2013



The chart provided in Figure 53 reflects the number of projects, sources of financing and development partners by sectors in 2013.

Based on the number of projects implemented in 2013, the active sectors are: Health – 104 projects, Social Welfare and Employment – 79 projects, Agriculture and Irrigation – 70 projects, Environment and Education – 67 external aid projects each.

Based on the sources that finance the sectors development, the following active sectors can be emphasized: Health – 38 sources; Social Welfare and Labor – 31 sources; Agriculture and Irrigation – 29 sources; Education – 28 sources; Multi-sector – 26 sources of financing.

The largest number of development partners in project implementation is involved in Multi-sector – 38 partners and in agriculture and Social Welfare and Labor sectors – 36 partners. They are followed by these sectors: Health sector – 34, Environment – 31, Education – 29 partners and etc.

Figure 54. The structure chart of the number of projects of different length by sectors in 2013

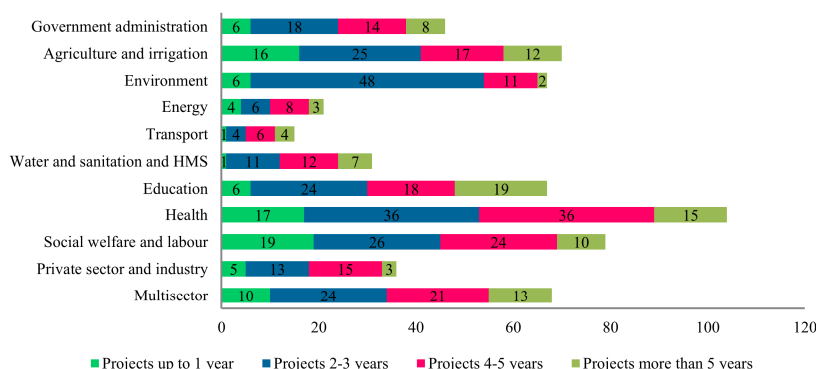


Figure 54 shows a chart that reflects the structure of total number of projects of different length by sectors for 2013.

The analysis showed that in 2013, 15% of all implemented external aid projects were short term with up to 1 year of duration, about 40% of all projects were mid-term with 2-3 years of duration, and more than 45% of all projects were long-term projects with the duration of 4-5 years.

Figure 55. The structure chart of the projects number of different value by sectors in 2013

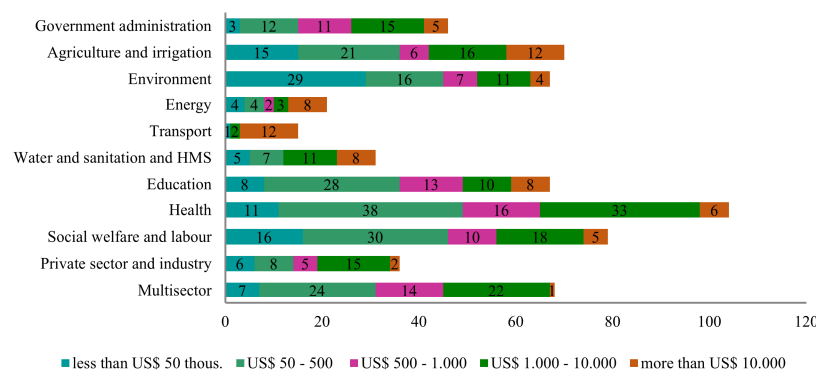


Figure 55 demonstrates a chart, which reflects the number of projects of different value by sectors in 2013.

The analysis showed that a significant share accounts for projects ranging 50-500 thousand US dollars and projects for an amount of 1,000-10,000 thousand US dollars, which totally account for about 57.1% of total number of projects in 2013. The share of small projects amounting to US\$ 50 thousand (17.5%) is relatively high, which is indicative of external aid

fragmentation that reduces its efficiency.

Table 22 contains general information by the sectors and all agreements, which were implemented in 2013.

TABLE 22. Indicators on agreements by sector as of 31.12.2013

Sector	Number of active and closed agreements in 2013	Number of disbursements	Commitments under Agreements		Disbursements under Agreements (progressive total)		% of commitments
			US\$ 000s	% of total	US\$ 000s	% of total	
Government administration	54	16	104 364	4,4%	95 331	6,5%	91,3%
Agriculture and irrigation	99	30	269 567	11,2%	162 018	11,1%	60,1%
Environment	90	21	76 066	3,2%	49 332	3,4%	64,9%
Energy	30	18	238 770	10,0%	130 710	8,9%	54,7%
Transport	23	12	650 140	27,1%	468 493	32,1%	72,1%
Water and sanitation and HMS	50	19	128 433	5,4%	81 459	5,6%	63,4%
Education	93	32	202 380	8,4%	148 573	10,2%	73,4%
Health	144	39	183 421	7,7%	153 713	10,5%	83,8%
Social welfare and Labor	104	35	75 999	3,2%	63 583	4,4%	86,3%
Private Sector and Industry	57	15	62 674	2,6%	45 099	3,1%	72,0%
Multisector	91	21	69 809	2,9%	57 297	3,9%	82,1%
Unspecified*	77	26	334 906	14,0%	5 322	0,4%	
Total	729	78	2 396 529	100.00%	1 460 928	100.00%	61,0%

*- Some partners did not show sector affiliation of the implemented projects when updating the AIMS, as a result, the indicators of these projects were referred to "Unspecified" category in AIMS.

Table 22 also contains information on the commitments and disbursements by sectors as of the end of 2013. In addition, the volume of disbursements is brought by the cumulative total as of the end of reporting year since the beginning of project's or agreement's implementation. The table also provides information on the structure of commitments and disbursements, and also on the %age of commitments execution on disbursements by the sectors.

Analysis of disbursements by sectors shows the following: . The volumes of aid in Transport sector as of the end 2013 were the largest and totaled to US\$ 468,493 thousand or 32.1% of total amount of disbursements. The amount of disbursements in Health sector reached US\$ 153,713 thousand or 10.5%, Education – US\$ 148,573 thousand or 10.2%, and in Energy sector - US\$ 130,710 thousand (8.9%). The share of disbursements in the remaining sectors is about 1/3 of the total volume.

Table 23 displays summary of actual disbursements by sectors on the current and closed agreements for 2013. In contrast to the previous tables, the indicators in this table are presented for 2013 and not by progressive total since the beginning of project implementations (agreements).

Analysis of the disbursement structure by sectors for 2013 shows that most of external aid in the amount of US\$ 186,263 thousand, which accounts for about 40% of all disbursements for 2013, was aimed at two priority sectors of infrastructure: Transport (27.2%) and Energy (12.5%). A total amount of US\$ 125,621 thousand of external aid was disbursed to the development of social sector – Education, Health and Social Welfare and Labor in 2013, which account for 26.8% of total disbursements for the reporting period. The annual volumes of external aid for support and development of Public administration sector amounted to US\$ 40,081 thousand or 8.6%, Agriculture and Irrigation – US\$ 34,440 thousand or 7.4%, Water, Sanitation and HMS – US\$ 30,349 thousand or 6.5%, Private Sector and Industry – US\$ 17,595 thousand or 3.8%, and etc. The review of disbursements dynamics by sectors shows that the annual volumes of external aid in all sectors tends to decrease over the last three years, except for Social Welfare and Labor sectors, Private Sector and Industry as well as Water, Sanitation and HMS, where the annual volumes of external aid tends to grow for the indicated period.

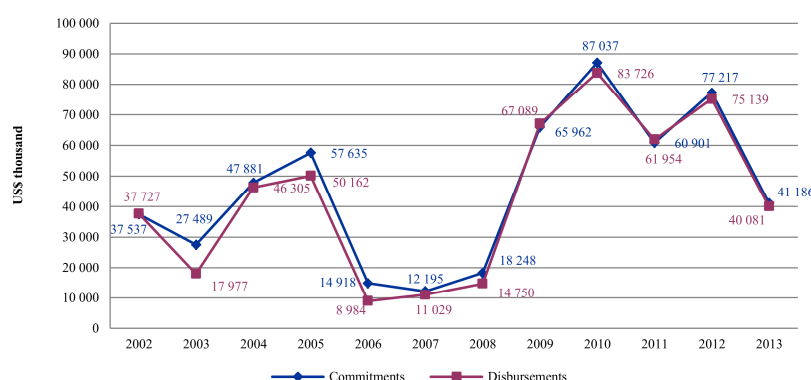
TABLE 23. Information on agreements by sectors for 2013

Sector	Number of active and closed agreements in 2013	Number of disbursements	Agreement Commitments		Agreement Disbursements		% of commitments
			US\$ 000s	% of total	US\$ 000s	% of total	
Government Administration	51	19	41 186	7.95%	40 081	8.56%	97,3%
Agriculture and Irrigation	92	29	45 620	8.80%	34 440	7.35%	75,5%
Environment	89	20	15 446	2.98%	14 354	3.06%	92,9%
Energy	29	19	55 548	10.72%	58 725	12.54%	105,7%
Transport	23	11	135 660	26.18%	127 538	27.23%	94,0%
Water, Sanitation and HMS	48	18	47 022	9.07%	30 349	6.48%	64,5%
Education	90	28	42 310	8.17%	39 247	8.38%	92,8
Health	140	38	61 893	11.94%	54 904	11.72%	88,7%
Social Welfare and Labour	99	31	34 315	6.62%	31 470	6.72%	91,7%
Private Sector and Industry	51	19	18 068	3.49%	17 595	3.76%	97,4%
Multisector	86	26	21 113	4.07%	19 625	4.19%	92,9%
Total	729	75	518 182	100.00%	468 327	100.00%	90,4%

The following sections of the report reflect a more detailed analysis of the situation by sectors. For each sector, an analysis is brought for trends in external aid for 2002-2013 in the context of commitments and disbursements, loans and grants, groups, and international organizations. The analysis of aid flows is made by the source of funding and development partners that assist one sector or the other.

It should be noted that AIMS allows monitoring progress in the external aid projects implementation. In updating AIMS information on their projects, the development partners enter information on key indicators of progress, based on which the progress in projects implementation is monitored. For each sector, the report provides analysis of the key progress indicators of projects implemented in the sector.

6.1. GOVERNMENT ADMINISTRATION

Figure 56. External aid dynamics in Government Administration sector for 2002-2013

Over the period 2002-2010, the annual amount of aid to Government Administration sector increased, reaching its peak in 2010 in the amount of US\$ 83,726 thousand (Fig. 56). The last three years have seen a decrease of aid to the sector, which in 2013 decreased by more than 2 times compared to 2010.

In 2013, 51 agreements were implemented under 46 external aid projects in Government Administration sector, which were financed by 19 donors. In the reporting year, the donors have

provided assistance for Government Administration sector development in the amount of US\$ 40,081 thousand or 8.6% of the total assistance provided to the country.

Figure 57. External aid dynamics in the Government Administration sector by loans and grants for 2002-2013

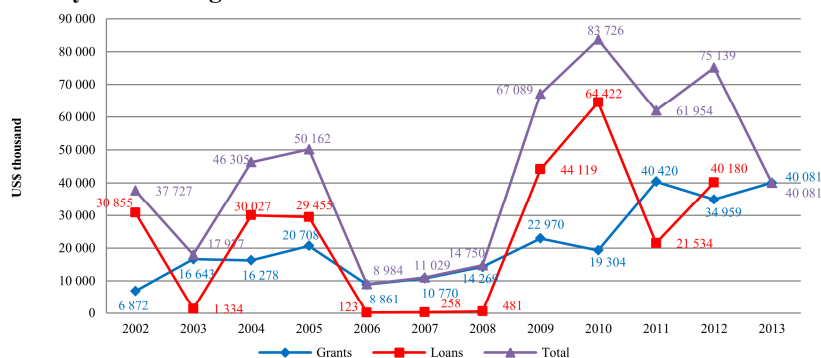
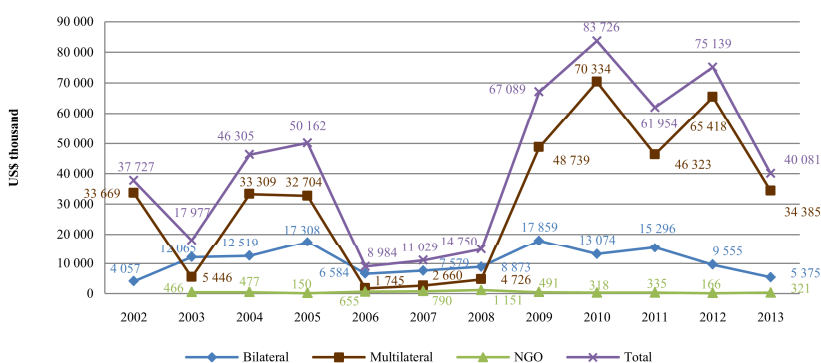


Figure 58. External aid dynamics in the Government Administration sector by the groups of international organizations for 2002-2013



assistance in amount of US\$ 5,375 thousand, or 13.4%, NGOs – US\$ 321 thousand or 0.8%.

Analysis of the structure of external funds disbursement by the Implementing agencies showed that the largest amount of aid was disbursed by the Ministries and departments in the amount of US\$ 33,410 thousand or 83.4% (Fig. 60).

Thus, in 2013, the national ministries and departments disbursed more than 83% of the aid received by the Government Administration sector, with typical growth of disbursement through national implementing agencies.

Bilateral organizations directly disbursed US\$ 727 thousand (1.8%). Multilateral organizations disbursed US\$ 4,349 thousand (10.9%). It should be noted that the share of international NGOs in the disbursement of funds accounts for 3.3%, of which 0.8% are the NGOs own funds and 2.5% are provided by multilateral and bilateral organizations (Fig. 60).

Figure 59. The aid structure to Government administration sector by the groups of international organizations for 2013

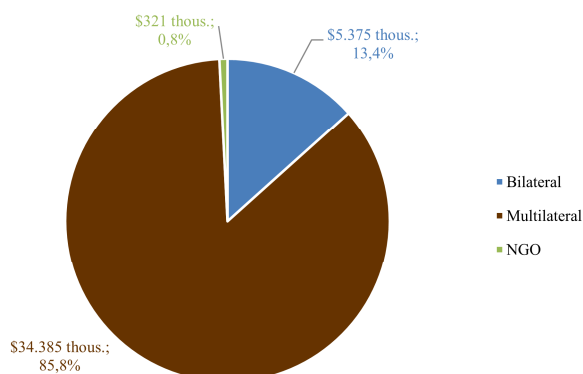
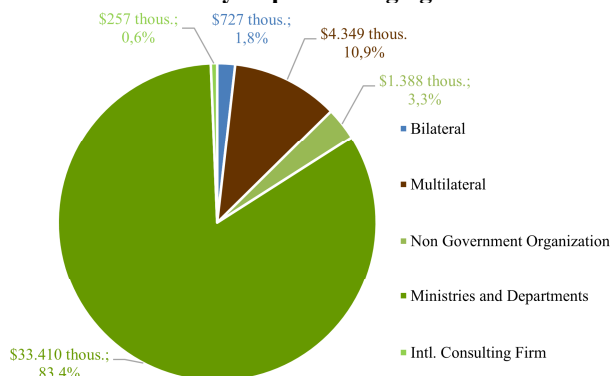


Figure 60. Disbursement of aid in Government administration sector by implementing agencies for 2013



In the analyzed period, the aid to the sector in the form of grants tends to increase, while in 2013 the aid to the sector was provided only in the form of grants (Fig. 57).

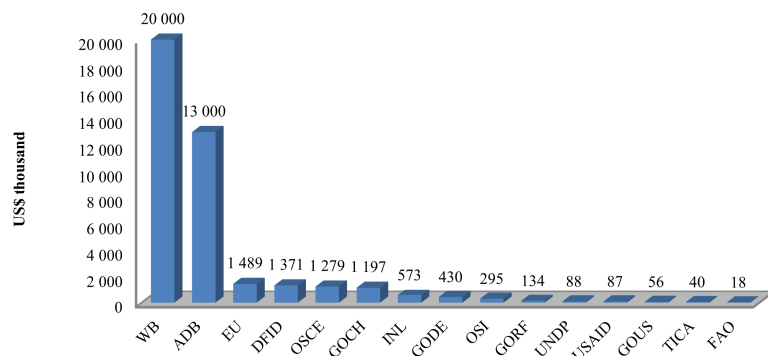
In the last years the assistance, both by multilateral and bilateral international organizations tends to decrease.

In 2013, the assistance to the sector compared to 2012 decreased by 46.7%, while assistance of bilateral organizations decreased by 43.7%, and of multilateral organizations decreased by 47.4% (Fig. 58).

In the reporting year, the Government Administration sector has received the largest amount of assistance from multilateral organizations in the amount US\$ 34,385 thousand or 85.8% of the total aid received by the sector in 2013 (Fig.59).

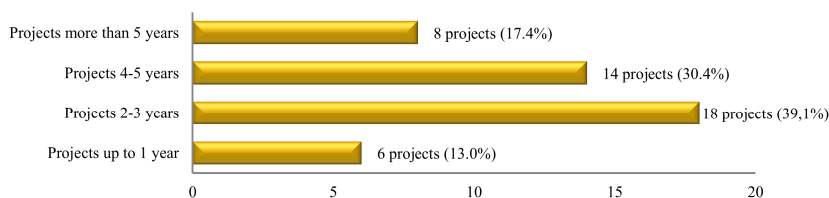
Bilateral organizations provided

Figure 61. The disbursements chart in Government Administration sector by funding sources in 2013



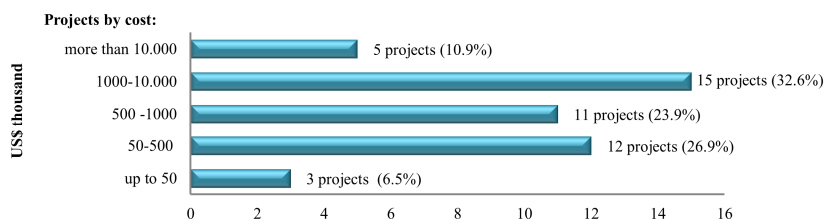
was provided by the World Bank in the amount of US\$ 20,000 thousand (50.0%), Asian Development Bank – US\$ 13,000 thousand (32.4%), OSCE – US\$ 1,279 thousand (3.2%), etc.

Figure 62. The structure of the projects number of various duration in Government Administration sector for 2002-2013



foreign aid attraction and use in the sector.

Figure 63. The structure of the projects number of various value in Government Administration sector for 2002-2013

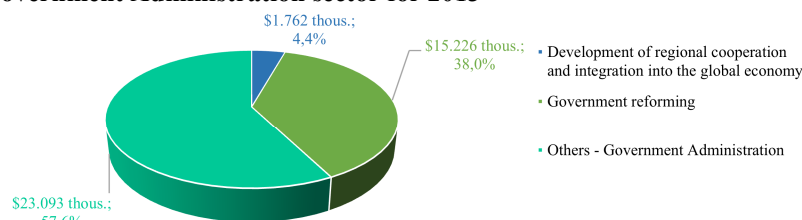


dollars constituted 23.9% of total number of projects. Together, these projects account for about 83% of the total projects implemented in the sector.

Thus, the implementation of projects with 2-3 years duration and value of 1,000-10,000 thousand dollars prevailed in Government administration sector in the year under review. The small projects with 1 year (13.0%) duration and cost of up to US\$ 50 thousand represent 6.5% of all projects, which is an evidence of a slight fragmentation of external aid in the sector.

Out of 46 projects implemented in the Government Administration sector in 2013, 9 (19.6%) were carried out under "Promoting regional cooperation and integration in the global economy" sub-sector (Fig. 64), 15 (32.6%) under "Reforming public administration" subsector and 23 projects (50.0%) were implemented under "Other" sub-sector. Due to the fact that some projects cover several subsectors, the arithmetic sum of projects by sub-sector exceeds the actual number of projects in the sector.

Figure 64. The structure of disbursements by the subsectors of Government Administration sector for 2013



During the reporting year, a significant volume of aid to the Government Administration sector was provided by the bilateral organizations such as the European Union in the amount of US\$ 1,489 thousand (3.7%) of total aid for the sector in 2013, the UK Department for International Development - US\$ 1,371 thousand (3.4%), the Government of Switzerland - US\$ 1,197 thousand (3.0%) and etc. (Fig. 61).

Among the multilateral organizations, significant assistance

A total of 46 projects were implemented in the Government Administration sector in 2013, with disbursements amounting to US\$ 40,081 thousand. The implementation of projects 2-3 years (39.1%) and 4-5 years duration (30.4%) prevailed in the indicated year. It mainly indicates the long-term and medium-term nature of

The cost analysis of the structure of the projects shows that in Government Administration sector the largest share accounts for projects costing 1,000 to 10,000 thousand US dollars - 32.6% of the total number of projects. The share of projects costing 50-500 thousand dollars is 26.1%, and the projects costing 500-1,000 thousand US

account for about 83% of the total

In 2013, out of US\$ 40,081 thousand assistance provided to the Government Administration sector, the largest volume in the amount of US\$ 23,093 thousand (57.6%) was used in the "Other" sub-sector. The assistance under "Reforming public administration" subsector amounted to US\$ 15,226 thousand (38.0%), and US\$ 1,762 thousand (4.4%) to supporting "Development of

regional cooperation and integration in the global economy" sub-sector.

Regionally, the largest amounts of aid were used under national level projects, which amounted to US\$39,002 thousand or 97.3% of the total assistance to the Government Administration sector in 2013 (Fig. 65). About 85% of the national level assistance has been used to implement two projects: "The sixth Programmatic Development Policy Grant" (WB), with the disbursements amounting to US\$ 20,000 thousand (51.3%), and "Strengthening public resources management program" (ADB), with the disbursements amounting to US\$ 13,000 thousand (33.3%).

In the reporting year, Sughd region has received assistance amounting to 635 thousand (1.6%) for the implementation of 4 external aid projects. More than 98% of total aid for Sughd region was disbursed at the regional level under "Rural Growth Program" (DFID WB, UNDP), with total disbursements amounting to US\$ 625 thousand. In 2013, the external aid projects to support and develop the Government Administration sector were implemented in B. Gafurov and Ghonchi districts and in Khujand city of Sughd region.

In 2013, Khatlon region received aid for Government Administration sector development in the amount of US\$ 305 thousand (0.8%) for the implementation of 4 external aid projects. Most of disbursements were made in Panj district under the "Integrated Cooperation Program on Tajik-Afghan Border Security and Community Stabilization" (IDA WB) in the amount of US\$ 264 thousand (86.6%). This program is aimed at strengthening the capacity of local authorities in local development planning. In 2013, external aid projects for Government Administration sector support and development were implemented in nine districts of Khatlon region.

GBAO received assistance for Government Administration sector support and development in the amount of US\$ 111 thousand (0.2%), Dushanbe - US\$ 14 thousand (0.03%), RRS - US\$ 14 thousand (0.03%).

In the aid structure provided to Government Administration sector in 2013, for expenditure categories, the share of spending for Civil works and construction is 0.2% (US\$ 95 thousand), the share of spending for equipment and materials - 0.5% (US\$212 thousand). The cost of services (training, consulting, project preparation) totaled US\$ 3,521 thousand (8.8%) (Table 24). A total of US\$ 36,253 thousand accounts for other expenses or 90.4% (Fig. 66). In other expenditures, the share of "Direct support of the state budget" item is 55.2%, and the share of "Sub-loan/Loan" item is 35.9%.

Figure 65. The structure of disbursements by Government Administration sector in the regions for 2013

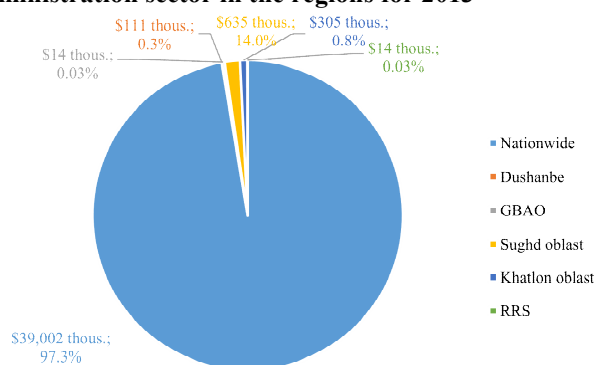


Figure 66. The structure of disbursements by works, goods and services in Government Administration sector for 2013

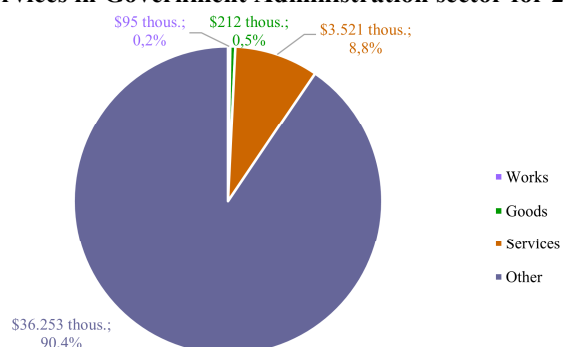


TABLE 24. Allocation of commitments and disbursements in Government Administration sector by expenditure type as of 2013 (US\$ thousand)

Expenditure Type	Commitments	% of total	Disbursements	% of total	% of commitments
Total	41 186	100.00%	40 081	100.00%	97,3%
Civil Works & Construction	100	0,2%	95	0,2%	94,9%
Equipment incl. Vehicle,Furniture	94	0,2%	95	0,2%	101,4%
Materials/Goods	113	0,3%	117	0,3%	103,5%
Training/T.A.: Free Standing	1 434	3,5%	935	2,3%	65,2%
Consultancy: Investment Related	2 420	5,9%	2 334	5,8%	96,4%
SubLoans/On-Lending	13 000	31,6%	13 000	32,4%	100,0%
Project Preparation	268	0,7%	252	0,6%	94,1%
Maintenance	196	0,5%	197	0,5%	100,1%
Operations/Recurrent Cost	3 153	7,7%	2 944	7,3%	93,4%
LoanService/Interest/Commitment Charge					
Contingency	1	0,002%	1	0,003%	100,0%
Special Account					
Direct support to government budget	20 000	48,6%	20 000	49,9%	100,0%
Direct support to sectoral budget					
Unallocated	406	1,0%	111	0,3%	27,4%

Out of 46 projects realized in Government Administration sector in 2013, 7 projects (15.2%) were implemented in accordance with LSIS for 2013-2015. LSIS Action Matrix includes implementation of measures in 64 sectors: Improving governance; Ensuring macroeconomic development; Greater integration into the world economy, of which 6 measures (9.3%) were realized in 2013. Disbursements on LSIS measures amounted to US\$ 3,143 thousand or 7.8% of the total amount of aid to the sector.

Table 25 presents LSIS measures implemented in Government Administration sector in 2013.

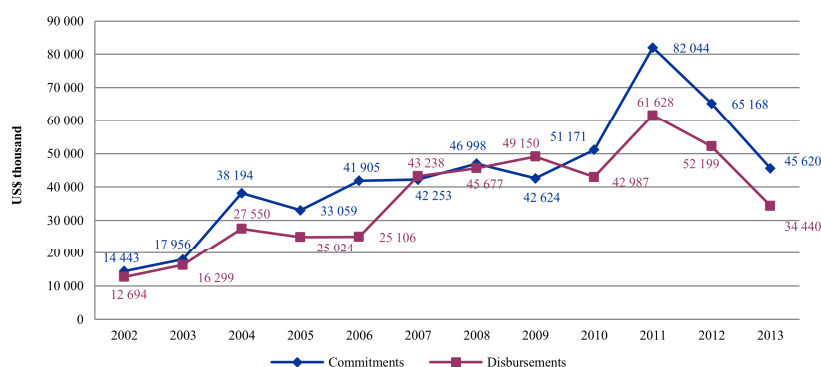
TABLE 25. LSIS measures realized in Government Administration sector in 2013

LSIS Measure	Disbursement by LSIS (USD)	Funding Source	Executing Agency	Implementing Agency
Total: 6 measures	3 143			
1.1.2.1. Introduce mechanisms for coordination of development priorities at the national sectorial and regional levels	143	UNDP	UNDP	UNDP
1.1.9.2. Review and coordinate all factors of internal social and economic development planning of a state authority	625	DFID	UNDP	UNDP
1.1.14.2. Educate new management principles to civil servants using innovative methods, organize relevant courses for all categories of civil servants	46	UNDP	UNDP	MFA
1.1.19.1. Develop and implement a National Capacity Building Program of local self-governance authorities	2 000	USAID	USAID	OTHER
1.1.19.3. Contribute to capacity building of public organization and cooperation with Local Self-governance structures	325	DFID	IOM	CSBP
1.1.21.1. Contribute to organization and development of citizens' self-acting body	4	USAID	USAID	OTHER

Analysis of key project indicators showed that by attracting external aid Government Administration sector reforms 4 legislative and 6 legal acts (86%), as well as 3 guidelines (100%) were developed and adopted, 125 civil servants were trained in new principles of management (1.3%), 10 study tours organized for civil servants to foreign countries (100%), 33 trainings, seminars and round tables held on reforming Government Administration (100%), 8 international consultants hired to provide projects implementation services in Government Administration sector (100%). Four conferences on reforming Government Administration (100%) were held at the international level. One information database (100%) was created and 50 local government staff members were trained (50%), and etc.

6.2. AGRICULTURE AND IRRIGATION

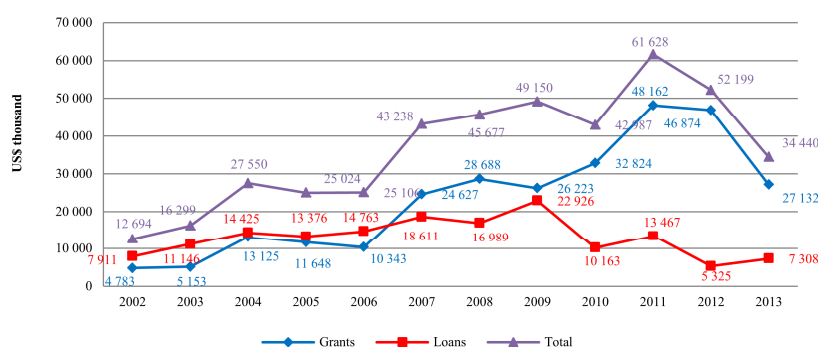
Figure 67. External aid dynamics in the Agriculture and Irrigation sector for years 2002-2013



In 2013, 96 external aid agreements were implemented in Agriculture and Irrigation sector through 70 projects financed by 29 donors. During the reporting year, the sector has been provided with external donor assistance in the amount of US\$ 34,440 thousand or 7.8% of the total assistance provided to the country.

In the last years, the assistance to Agriculture and Irrigation sector tends to reduce.

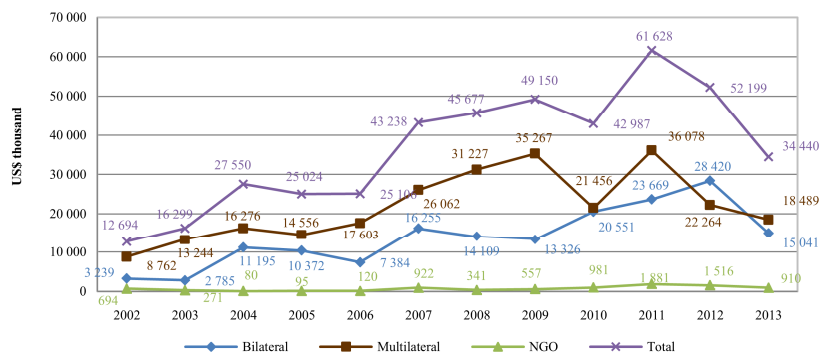
Figure 68. External aid dynamics in the Agriculture and Irrigation sector by loans and grants for years 2002-2013



Both the grant component of external aid and credits is reducing. Nonetheless the grant assistance far exceeds aid in the form of loans.

In 2013, the volume of grant disbursements exceeded the volume of loans for 3.7 times.

Figure 69. External aid dynamics in the Agriculture and Irrigation sector by the groups of international organizations for years 2002-2013.



organizations provided aid in the amount of US\$ 15,041 thousand, or 43.7%, NGOs – US\$ 910 thousand or 2.6%.

Analysis of the structure of external funds disbursement by the implementing agencies showed that the largest amount of aid were disbursed by the investment projects management (implementation) units in the amount of US\$ 20,151 thousand, or 58.5%. The ministries and departments disbursed US\$ 523 thousand, or 1.5%. Local authorities and local NGOs disbursed US\$ 1,203 thousand, which is 3.5% (Fig. 71).

Thus, the national stakeholders in 2013 disbursed more than 63% of the aid received by Agriculture and Irrigation sector. At the same time, disbursements through the ministries and local authorities tend to grow.

Bilateral organizations directly disbursed 6,177 million (17.9%). Multilateral organizations disbursed US\$ 1,541 thousand (4.5%). It should be noted that the share of NGOs in the disbursement of funds account for 7.1%, of which 2.6% are NGOs own funds, and 4.5% are from multilateral and bilateral organizations.

During the reporting year, significant assistance was provided to Agriculture and Irrigation sector by bilateral organizations such as the Government of Germany in the amount of US\$ 3,977 thousand or 11.5% of total aid for the sector in 2013, the UK Department for International Development - US\$ 3,373 thousand (9.8%), Kuwait Fund for Arab Economic Development - US\$ 2,947 thousand (8.6%), the European Union - US\$ 2,195 thousand (6.4%). From multilateral organizations, large assistance was provided by the World Bank in the amount of US\$ 10,990 thousand (31.9%), Asian Development Bank - US\$ 2,943 thousand (8.5%), and the Islamic Development Bank - US\$ 2,408 thousand (7.0 %), (Fig. 72).

Figure 70. External aid dynamics in the Agriculture and Irrigation by groups of international organizations in 2013

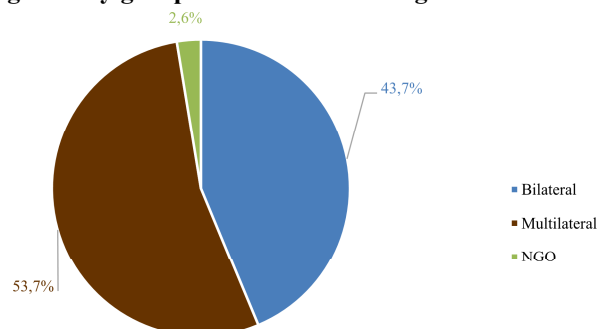


Figure 71. The structure of external aid to the Agriculture and Irrigation by groups of implementing agencies in 2013

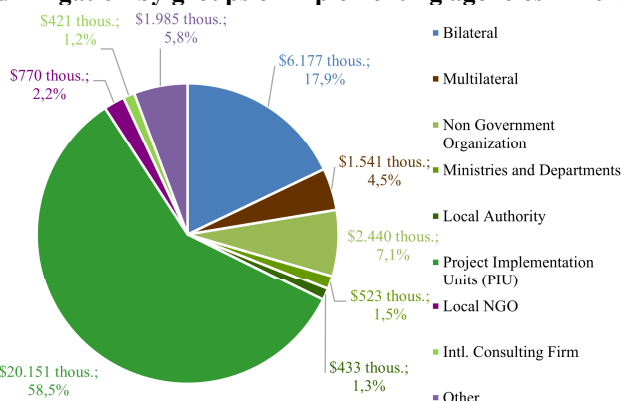
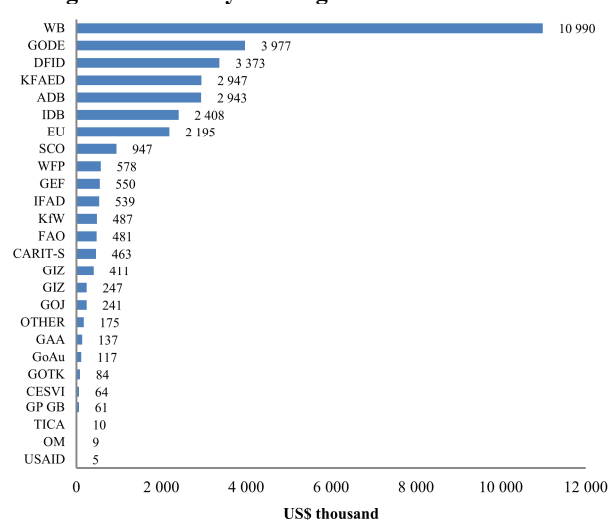


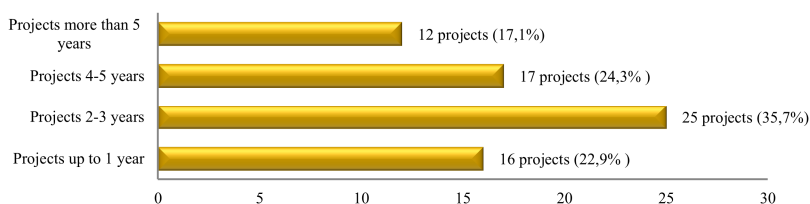
Figure 72. The chart of disbursement amounts in Agriculture and Irrigation sector by funding sources for 2013



The assistance, rendered both by multilateral and bilateral international organizations, has been reduced. In 2013, the aid to the sector decreased by 44% in comparison with 2011.

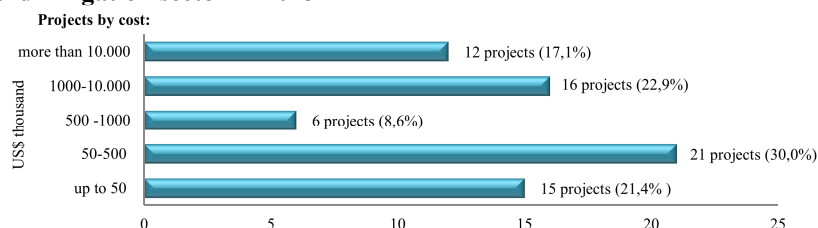
During the reporting year, the largest amount of aid was received from multilateral organizations in the amount US\$ 18,489 thousand or 53.7% in Agriculture and Irrigation sector in 2013. Bilateral

Figure 73. The structure of projects number by their duration in Agriculture and Irrigation sector in 2013



17.1%. In total these project comprises 41.4%.

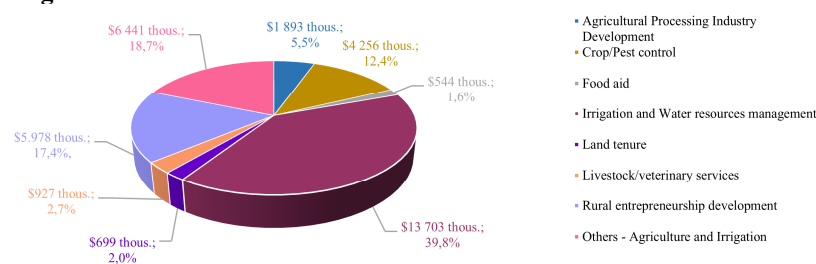
Figure 74. The structure of projects number by their value in Agriculture and Irrigation sector in 2013



the period under review. It reflects mainly medium and long-term nature of attraction and use of foreign aid in the sector. It should also be noted that there is a relatively high share of small projects with duration of 1 year (22.9%) and value of up to US\$ 50 thousand (21.4%), which is an evidence of a slight fragmentation of external aid in the Agriculture and irrigation sector.

Out of 70 projects implemented in the Agriculture and Irrigation sector in 2013, 16 projects (22.9%) were realized under "Development of agricultural processing industry" sub-sector, 14 projects (20.0%) under "Irrigation and water resource management", 9 projects under "Rural business development" (12.9%), 8 projects under "Plant growing/pest control" sub-sector, 4 projects (5.7%) under "Land use" subsector, 3 projects (4.3%) under "Food assistance" subsector. 19 projects (27.1%), which were not included in the above sub-sectors were referred to the "Other" sub-sector. Due to the fact that some projects are implemented in several subsectors, the arithmetic sum of projects by sub-sector exceeds the actual number of projects in the sector.

Figure 75. Disbursement structure by sub-sectors of Agriculture and Irrigation sector for 2013



4,256 thousand (12.4%) were made available for the plant growing and pest control support and development. It should be noted that subsectors such as Agriculture Livestock (2.7%) and land use (2.0%) are not adequately supported.

Regionally, the largest amounts of aid were used under national level projects, which amounted to US\$ 14,460 thousand or 42.0% of the total assistance to the Agriculture and Irrigation in 2013. These projects include "Ferghana Valley Water Resources Management Project", "Lands registration and cadastral system for sustainable agriculture" project, "Rural Development" project, "Support to strengthen national food security information system in Tajikistan", and etc. At the national level in 2013, a total of 28 external aid

A total of 70 external aid projects were implemented in Agriculture and Irrigation sector in 2013.

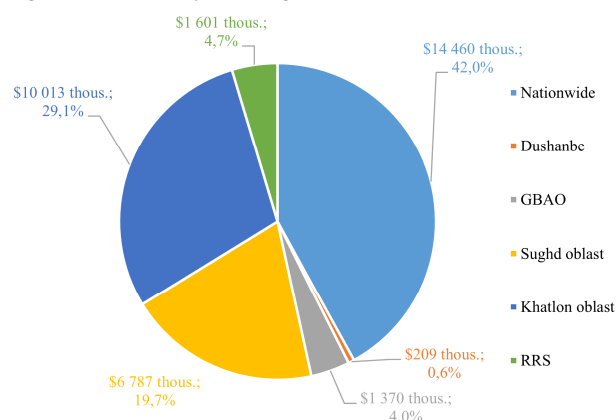
The analysis showed that the largest share accounts for the mid-term projects with 2-3 years (35.7%) duration in Agriculture and Irrigation sector. The share of projects with 4-5 years duration is 24.3%, and for more than 5 years -

The share of projects costing US\$ 50-500 thousand accounts for 30.0%, while projects costing 1,000-10,000 thousand dollars account for 22.9%.

Thus, implementation of medium- and long-term projects and the value ranging from 50 to 500 thousand US dollars and from 1,000 to 10,000 thousand US dollars dominated in

In 2013, out of US\$ 34,440 thousand of foreign aid provided to the agriculture and irrigation, the largest value in the amount of US\$ 13,703 thousand (39.8%) was used for Irrigation and Water Resources Management subsector development. Assistance for rural business development amounted to US\$ 5,978 thousand (17.4%), US\$

Figure 76. Disbursement structure in Agriculture and Irrigation sector by the regions for 2013

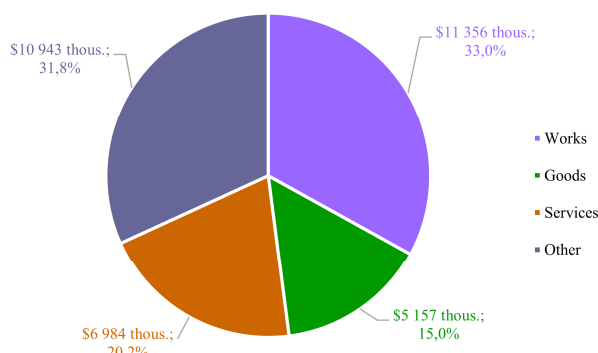


projects were implemented with total commitments in the amount of US\$ 113,725 thousand.

30 external aid projects were implemented in 2013 in Khatlon region with disbursements in the amount of US\$ 10,013 thousand or 29.1%. It is mainly associated with implementation of “Irrigation of land in Dangara valley, 2nd phase”, with disbursements in the amount of US\$ 5,355 thousand. In 2013, the external aid was received by all districts of Khatlon region, except for Bokhtar, Kubodiyon, Temurmali districts and Sarband town.

In the reporting year, Sughd region received aid in the amount of US\$ 6,787 thousand (19.7%) as a result of implementation of 14 external aid projects. More than 60% of total aid to Sughd region was disbursed in Konibodom town under the implementation of “Ferghana valley water resources management” project with disbursements reaching US\$ 4,129 thousand. In 2013, the external aid projects were implemented in all districts of Sughd region, except for Jabbor Rasulov district, as well as Taboshar and Chkalov towns.

Figure 77. Disbursement structure by works, goods and services in Agriculture and Irrigation sector for 2013



Regions of Republican Subordination (RRS) received assistance for support and development of Agriculture and irrigation sector in the amount of US\$ 1,601 thousand (4.6%), GBAO – US\$ 1,370 thousand (4.0%), Dushanbe city – US\$ 209 thousand (0.6%). More than 75% of aid to Dushanbe city includes expenses for «Consultations, related to investments» and «Project preparation».

In the aid structure, provided to Agriculture and Irrigation sector in 2013, the share of expenses under Civil works and construction is 33.0% (US\$ 11,356 thousand), the share of spending on equipment and materials – 15.0% (US\$ 5,158 thousand). The expenses for services (training, consultations, and project preparation) amounted to US\$ 6,984 thousand (20.3%). Other expenses amounted to US\$ 10,943 thousand or 31.8%. The share of Operating expenses is high in the Other expenses, which account for 95.7%.

TABLE 26. Allocation of commitments and disbursements in Agriculture and Irrigation Sector by expenditure type in 2013 (US\$ thousand)

Expenditure Type	Commitments	% of total	Disbursements	% of total	% of commitments
Civil Works & Construction	14 000	30.69%	11 356	32.97%	81,12
Equipment incl. Vehicle, Furniture	4 325	9.48%	2 166	6.29%	50,07
Materials/Goods	5 355	11.74%	2 992	8.69%	55,87
Training/T.A.: Free Standing	3 638	7.97%	1 085	3.15%	29,83
Consultancy: Investment Related	4 054	8.89%	4 930	14.31%	121,61
SubLoans/On-Lending	371	0.81%			0,00
Project Preparation	949	2.08%	969	2.81%	102,13
Maintenance	832	1.82%	471	1.37%	56,64
Operations/Recurrent Cost	12 097	26.52%	10 472	30.41%	86,56
Total	45 620	100.00%	34 440	100.00%	75,49

Operating costs are the highest in the Rural business development sub-sector, which amounted to US\$ 5,733 thousand or 95.9% of the amount of assistance provided to the sector for 2013. For example, “Framework for Private Sector Development in Tajikistan” (FFPSD) project payments in 2013 amounted to US\$ 5,253 thousand, while this amount fully relates to operating expenses. In Irrigation and water management subsector, as compared to other subsectors the proportion of expenditures on Civil works and construction is the highest accounting for 65.6%. This is mainly associated with the implementation of the “Ferghana Valley Water Resources Management Project” and “Dangara Valley Irrigation Project, Phase 2”. In the Plant growing/Pest control subsector the share of spending on services (training, advice) is higher compared to other subsectors, which accounts for 43%.

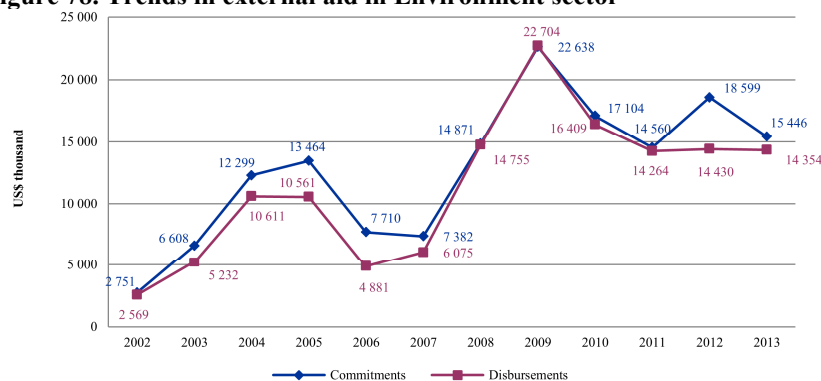
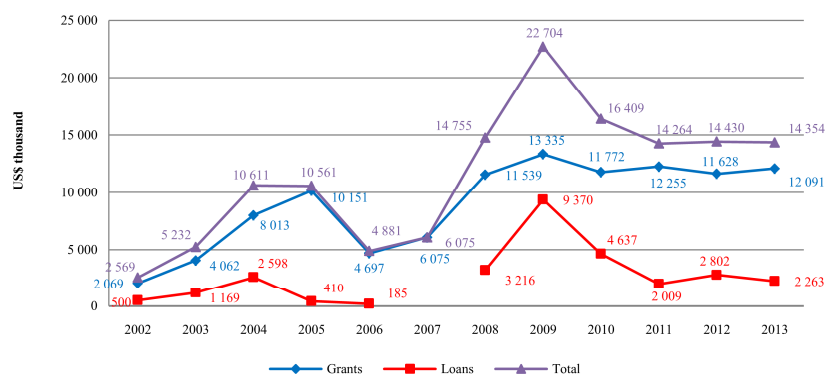
Out of 70 projects implemented in the Agriculture and Irrigation sector in 2013, 22 projects (31.4%) were realized in accordance with LSIS for 2013-2015. The LSIS Action Matrix provides for implementation of 15 measures in the Agriculture and Irrigation sector, of which 8 measures (53.3%) were implemented in the reporting year. Disbursements on LSIS measures amounted to US\$ 14,187 thousand or 41.2% of the total amount of aid in the sector. For successful implementation of LSIS for 2013-2015 the Ministry of Agriculture in collaboration with SCISPM should intensify efforts to targeted attraction of external aid for the strategy needs.

TABLE 27. LSIS measures realized in Agriculture and Irrigation sector in 2013

Sector / LSIS Measure	Disbursement by LSIS (USD thousand)
2.3 Ensure food security: agriculture development, water supply and land use	14 187
2.3.1.1. Implement Agriculture Reform Program	1 232
2.3.1.2. Implement the Rural Growth Program	441
2.3.1.3. Implement the project "Cattle-breeding and pasture development"	549
2.3.3.2. Contribute to implementation of investment projects to establish farms of milking livestock, sheep breeding, poultry-farming, yak breeding and goat breeding in mountainous and highland regions, bee-keeping and fish breeding	59
2.3.10.1. Organize a single immovable state property registration system and rights for it through applying an electronic system	1 134
2.3.14.1. Implement the Decision of the Government of the Republic of Tajikistan dated 31.10.2009 under No. 612 and develop a new decision covering the period of 2015-2019	10 404
2.3.17.1. Implement the Decision of the Government of the Republic of Tajikistan dated 29.04.2009 under No. 235	368

Analysis of key indicators of progress showed that by attracting external aid in the Agriculture and Irrigation sector, as part of existing projects five regulations were developed and adopted, which are aimed at reforming the authorities responsible for policy development and implementation in Agriculture and Irrigation sector. Irrigation facilities were reconstructed on 80,868 ha (85.3%²), new irrigated area created on 12,747 hectares (68.1%), 124 water users' associations established using the external aid in the sector. 32.4 km of new irrigation canals (68.1%) were built, 26 drainage pumping stations (63.4%) were created, 117.6 km of collector - drainage networks (98.0%) were cleaned. 102,213 tons of seeds and fertilizers were supplied, 1283 community production groups created for the distribution of seeds and fertilizers to farmers, land certificates were issued to 71,837 farmers (69.6%). 569 training sessions and seminars (97.8%) were conducted, which were attended by 452,565 people (100.5%). 714 training sessions were held for farmers (95.6%), 17,437 farmers were involved in agricultural projects (71.4%). 35 international consultants (100%) were involved to provide projects implementation services in Agriculture and Irrigation sector.

6.3. ENVIRONMENT

Figure 78. Trends in external aid in Environment sector**Figure 79. Trends in external aid to the Environment sector in the context of loans and grants**

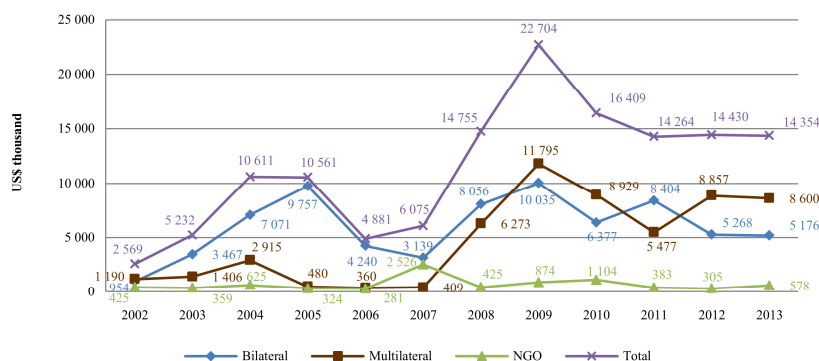
In 2013, 89 agreements were implemented as part of 67 foreign aid projects in the Environment sector, being financed by 20 donors. During the reporting year, the sector received external donor assistance in the amount of US\$ 14,354 thousand or 3.1% of the total assistance provided to the country.

In general, the aid to Environment sector tended to increase for the period of 2002-2009. Since 2010, the annual volume of aid tends to decrease in the sector. In the past three years, the aid to the sector remains stable, at about the same level (Fig.78).

In the analyzed period, the aid to the sector in the form of grants far exceeds aid in the form of loans, while credit assistance tends to reduce since 2010 (Fig.79).

² - per centage is calculated as an indicator of progress to the goal of the indicator

Figure 80. Trends in external aid for the Environment sector by groups of international organizations in 2002-2013



reducing (Fig.80).

In the reporting year, the Environment sector received the greatest volume of aid from multilateral organizations in the amount US\$ 8,600 thousand or 59.9% of all aid received by the sector in 2013. Bilateral organizations assisted in volume 5,176 thousand dollars, or 36.1%, NGOs – US\$ 578 thousand, or 4.0% (Fig.81).

The structure analysis of external funds disbursement by the implementing agencies showed that the largest amount of aid has been disbursed by project management (implementation) units in the amount of US\$ 5,789 thousand, or 40.3% (Fig.82).

Ministries and departments disbursed US\$ 1,278 thousand, or 8.9%. Local NGOs disbursed 516 thousand US, which accounts for 3.8%.

Thus, the national counterparts in 2013 spent more than half of the aid (53%), received in the Environment sector. At the same time, disbursements tend to grow through the ministries/agencies and local NGOs.

A total of US\$ 1,063 million (7.4%) was directly disbursed by bilateral organizations. Multilateral organizations disbursed US\$ 1,420 thousand (9.9%). It should be noted that the share of international NGOs in funds disbursement is 29.3%, of which

Figure 81. Structure of external aid to the Environment sector by groups of international organizations in 2013

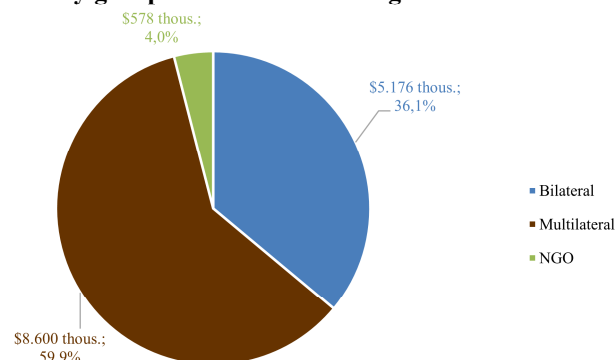


Figure 82. Disbursement of aid by the implementing agencies in Environment sector for 2013

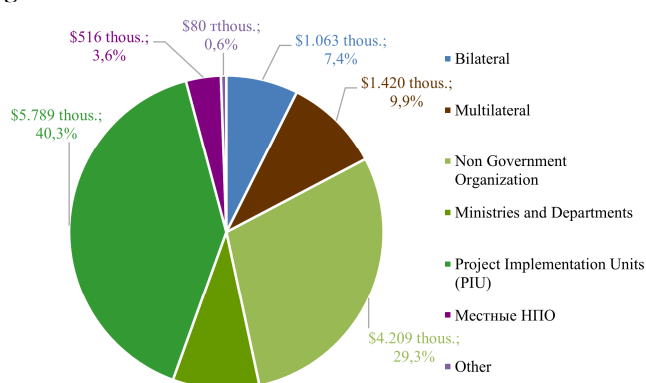
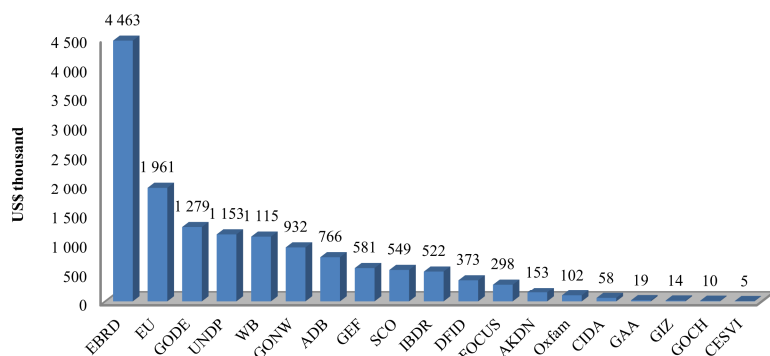


Figure 83. Chart of disbursement amounts in Environment sector by sources of financing in 2013



During the period of 2009-2013, aid to the Environment sector decreased by 37%. In recent years, there has been an increase of multilateral organizations assistance and reduction of aid provided by bilateral international organizations.

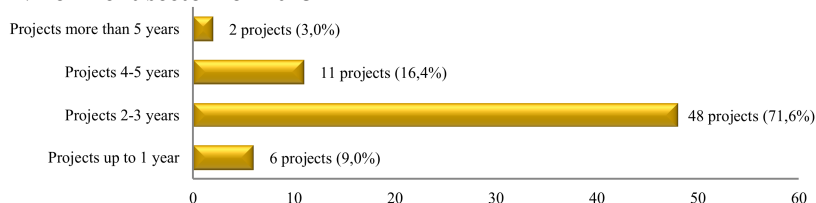
During 2009-2013, aid to the Environment sector decreased by 37%. In the last three years the aid of multilateral organizations tends to decrease and assistance of bilateral international organizations is

4.0% are funds of NGOs, and 25.3% are from multilateral and bilateral organizations.

During the reporting year, the Environment sector received significant aid by bilateral organizations such as the European Union in the amount of US\$ 1,961 thousand or 13.7% of total aid for the sector in 2013, the Government of Germany - US\$ 1,279 thousand (8.9%), the Government of Norway – 932 US thousand (6.5%) and others (Fig.83).

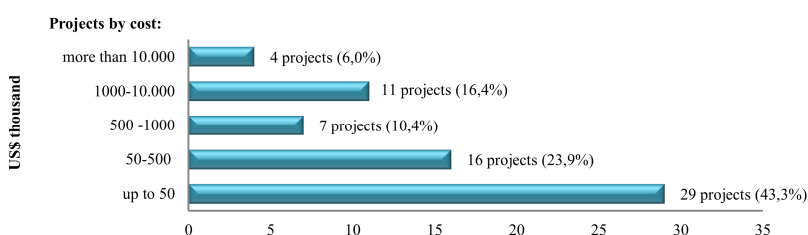
From multilateral organizations, significant assistance was provided by the European Bank for Reconstruction and Development in the amount of US\$ 4,463 thousand (31.1%), UNDP - US\$ 1,153 thousand (8.0%), the World Bank – US\$ 1,115 million (7.8%), etc.

Figure 84. The structure of the projects' number different duration in the Environment sector for 2013



In 2013, 67 projects were implemented in the Environment sector with disbursements reaching US\$ 14,354 thousand. The implementation of 2-3 years projects (71.6%) prevailed in the indicated year. It is an evidence of the mid-term nature of attraction and use of external aid in the sector (Fig.84).

Figure 85. The structure of the projects' number with different value in the Environment sector for 2013

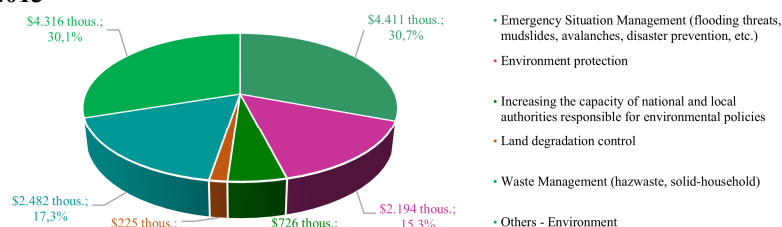


Analysis of the structure of projects' number by their cost shows that the largest share is of projects totalling up to 50 thousand dollars - 43.3% of the total number of projects in the Environment sector (Fig.85). The share of projects valued at 50-500 thousand US dollars is 23.9%, 1,000-10,000 thousand US dollars - 16.4%.

Thus, the share of small projects valued at US\$ 50 thousand (43.3%) is fairly high in the Environment sector for the reporting period, indicating on the fragmentation of external assistance in the sector.

Out of 67 projects that were implemented in the Environment sector in 2013, 21 projects (31.3%) were realized in "Emergency situations management subsector (threat of floods, mudflows, avalanches, disaster prevention, etc.)", 34 projects (50.7%) - in the "Environmental Protection" subsector, 4 projects (6.0%) - in the "Enhancing the capacity of national and local authorities responsible for environmental policies" subsector, 2 projects (3.0%) - in the "Combating land degradation" subsector, 6 projects (9.0%) - in the "Waste management (hazardous waste, household solid waste)" subsector and 6 projects (9.0%) that are not included in the above sub-sectors are referred to the "Other" sub-sector. Since some projects are implemented in several subsectors, the arithmetic amount of projects by sub-sector exceeds the actual number of projects in the sector.

Figure 86. Disbursement structure by the sub-sectors of Environment sector in 2013

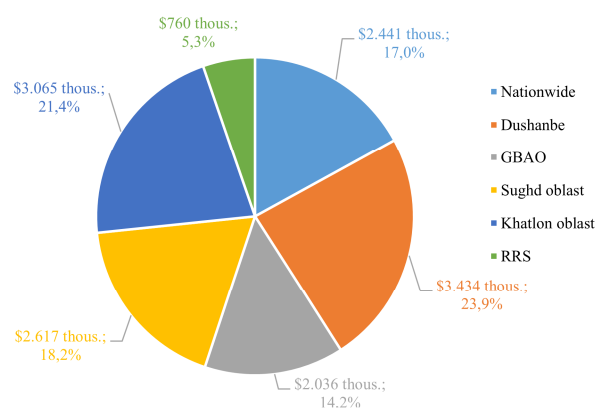


In 2013, out of US\$ 14,354 thousand assistance provided to the Environment sector, the largest amount of US\$ 4,411 thousand (30.7%) was used for the development of Emergency situations management sub-sector (threat of floods, mudflows, snow avalanche, disaster prevention, etc.). Assistance for the development of "Waste management (hazardous and

household solid waste)" amounted to US\$ 2,482 thousand (17.3%), for the development and support of "Protecting the environment" subsector - US\$ 2,194 thousand (15.3 %). It should be noted the environment subsectors such as "Building capacity of national and local authorities responsible for environmental policies" (5.1%) and "Combating land degradation" (1.6%) lack adequate support (Fig. 86).

Regionally, the largest volumes of aid were used in Dushanbe, which amounted to US\$ 3,434 thousand or 23.9% of total aid to the Environment sector for 2013 (Fig.87). About 66% of the assistance provided to Dushanbe city, was used for the implementation of the «Solid Waste Management Project in Dushanbe city» (EBRD) on which

Figure 87. Disbursement structure by Environment sector in the regions for 2013



disbursements were made in the amount of US\$ 2,257 thousand.

In the reporting year, Khatlon region received aid for Environment sector development in the amount of US\$ 3,065 thousand (21.4%) for the implementation of 24 external assistance projects. The largest disbursements were made in Kumsangir district under "Mine Action Program in Tajikistan" (Government of Norway) in the amount of US\$ 932 thousand (30.4%) and in Hamadoni district under the "Flood risk management project in Khatlon region" in the amount of US\$ 740 thousand (24.1%). In 2013, the external aid projects were implemented in 17 districts of Khatlon region.

In Sughd region the Environment sector in the reporting year received assistance in the amount of US\$ 2,617 thousand (18.2%) as a result of implementation of 7 external assistance projects. About 85% of all aid to Sughd region was disbursed in Khujand under "Solid Waste Project Management Khujand" (EBRD, GEF), where the disbursements totaled US\$ 2,224 thousand. In 2013, external aid projects were implemented in Ayni, B. Gafurov, Shahristan districts and in Isfara Konibodom, Panjakent towns of Sughd region.

At the national-level projects, the disbursements totaled US\$ 2,441 thousand (17.0%). These are the projects such as "Khatlon Province Flood Risk Management Project" (ADB), with total cost of US\$ 27,543 thousand, "Hydrometeorology Equipment Modernization in Central Asia" (WB) for a total amount of US\$ 13,000 thousand, "Poverty Alleviation by Mitigation of Integrated high mountain Risk" (EU) worth 735 thousand dollars and etc. At the national level, a total of 10 external aid projects were implemented for a total value of US\$ 91,136 thousand in 2013.

GBAO received assistance for support and development of Environment sector in the amount of US\$ 2,036 thousand (14.2%), RRS - US\$ 760 thousand (5.3%).

In the aid structure, provided to Environment sector in 2013, the share expenses in Civil works and construction is 12.6% (US\$ 1,811 thousand), the share of spending on equipment and materials – 32.3% (US\$ 4,637 thousand). The expenses for services (training, consultations, and project preparation) amounted to US\$ 3,283 thousand (22.9%). Other expenses amounted to US\$ 4,623 thousand or 32.2% (Fig.88). The share of Operating expenses is high in the Other expenses, which account for 81.1%.

Figure 88. The disbursement structure for works, goods and services in the Environment sector for 2013

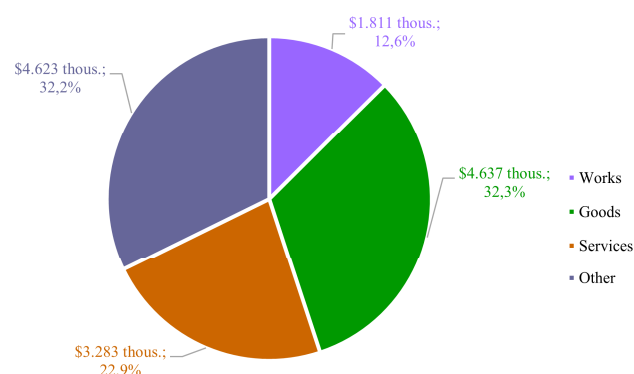


TABLE 28. Allocation of commitments and disbursements in Environment sector by expenditure type in 2013 (US\$ thousand)

Expenditure Type	Commitments	% of total	Disbursements	% of total	% of commitments
Total	15 446	100.00%	14 354	100.00%	92,9%
Civil Works & Construction	1 327	8,6%	1 811	12,6%	136,5%
Equipment incl. Vehicle,Furniture	812	5,3%	680	4,7%	83,8%
Materials/Goods	4 900	31,7%	3 956	27,6%	80,7%
Training/T.A.: Free Standing	1 369	8,9%	1 156	8,1%	84,5%
Consultancy: Investment Related	1 477	9,6%	1 300	9,1%	88,0%
SubLoans/On-Lending	80	0,5%	80	0,6%	100,0%
Project Preparation	390	2,5%	827	5,8%	212,0%
Maintenance	438	2,8%	357	2,5%	81,5%
Operations/Recurrent Cost	3 877	25,1%	3 748	26,1%	96,7%
LoanService/Interest/Commitment Charge	574	3,7%	362	2,5%	63,0%
Contingency	58	0,4%	50	0,3%	87,3%
Special Account	59	0,4%	26	0,2%	43,8%
Direct support to government budget					
Direct support to sectoral budget					
Unallocated	86	0,6%			

Operating costs are the highest in the "Environment Protection" sub-sector, which amounted to US\$ 1,298 thousand or 59.2% of the assistance provided to the sub-sector for 2013.

Out of 67 projects that were implemented in the Environment sector in 2013, 14 projects (20.9%) were realized in accordance with LSIS for 2013-2015. The LSIS Action Matrix provides for implementation of 23 measures in Ensuring environmental sustainability and development sector, of which 5 measures (21.7%) were implemented in the reporting year. Disbursements on the sector measures in LSIS amounted to US\$ 6,168 thousand or 43.0% (Table 29).

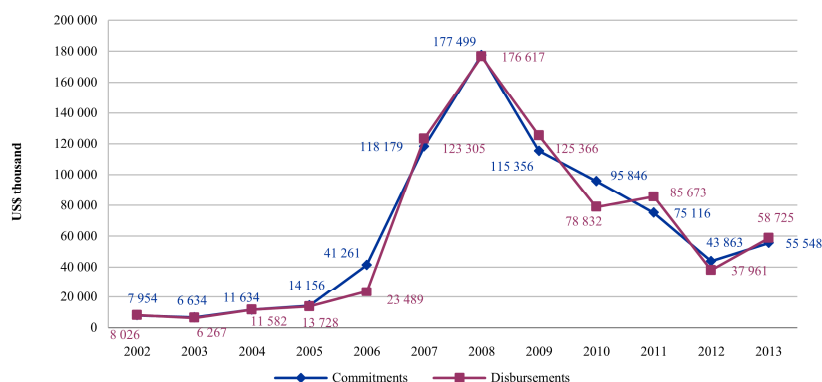
TABLE 29. LSIS measures realized in Environment sector in 2013

PRS Sector / PRS Measure	Disbursement by PRS (USD thous.)
3.5 Ensure environmental stability and sustainable development	6 168
3.5.2.4. Promote project for organization of public dialogues targeting environmental protection and beneficial use of nature	2 199
3.5.3.1. Strengthen Tajikistan's cooperation on scientific, climatology and modeling issues of climate impact	2 026
3.5.3.2. Restore activities of meteorology system	1 043
3.5.4.1. Organize rehabilitation and reforestation of existing forests	600
3.5.5.1. Organize maintenance and protection of forests aimed at transferring them into the category of forest-covered area	300

Analysis of key indicators of progress showed that by attracting external aid in the Environment sector, as part of existing projects 4 km of rivers bank protection structure and reservoirs (100%) were rehabilitated, 2 hectares of natural protected areas (17%) extended, 1081 rehabilitated landfill landfills extended 2 hectares of natural protected areas (17%), 1081 waste dump sites were rehabilitated (76%), assistance provided in the amount of US\$ 1,245 thousand to eliminate consequences of natural disasters), a total of 1,000,109 people covered with assistance in elimination of natural disasters consequences, 150 units of equipment worth US\$ 2,382 thousand (100%) delivered to the sector, 48 training sessions held on first aid in case of natural disasters (100%), 28,750 people participated in trainings and seminars on ecological and environmental issues (99.5%), etc.

6.4. ENERGY

Figure 89. External aid dynamics in the Energy sector for 2002-2013

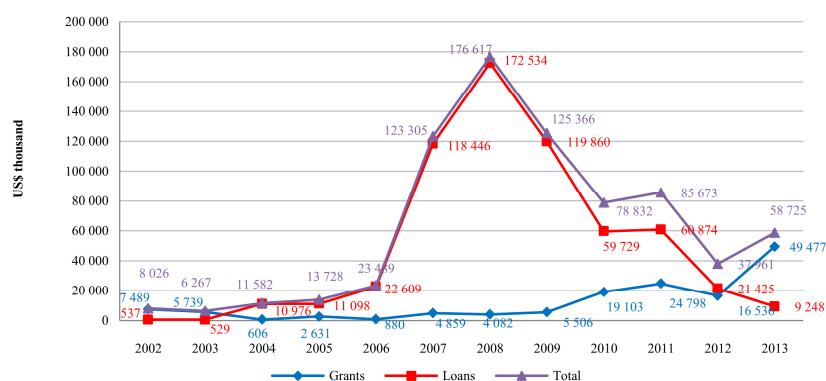


In 2002-2008, the aid in Energy sector tended to increase, while in 2008, maximum amount of aid in the amount of US\$ 176,617 thousand (Fig. 89) was provided to the sector. In subsequent years, aid to the sector declined and in 2012 amounted to US\$ 37,961 thousand.

In 2013, a total of 29 agreements were realized in Energy sector as part of 21 external aid projects, which were funded by 16 donors. For Energy sector development in 2013, the donors provided external aid in the amount of US\$ 58,725

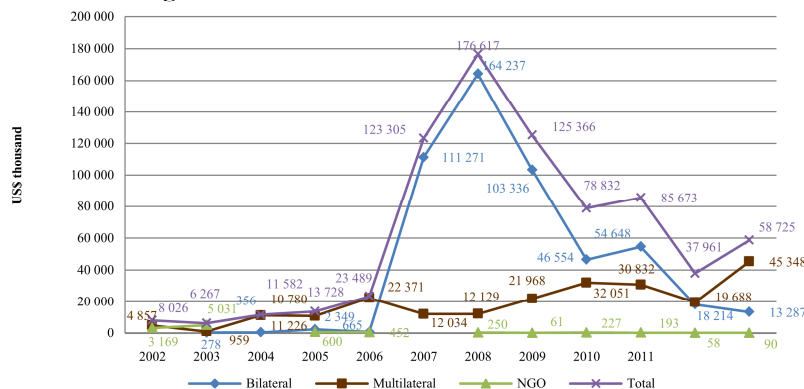
thousand or 12.5% of the total assistance provided to the country.

Figure 90. External aid dynamics in the Energy sector by loans and grants



In 2002-2008, the annual volumes of aid in the form of loans tended to increase and reached their maximum value in the amount of US\$ 172,534 thousand in 2008 (Fig. 90). In subsequent years, credit assistance sector declined and in 2013 amounted to US\$ 9,248 thousand. The aid to the sector in the form of grants for the period under review tended to grow and increased from US\$ 7,489 thousand in 2002 to US\$ 49,477 thousand in 2013. The volumes of grant aid in 2013 were larger for almost 3 times higher than the indicator of 2012.

Figure 91. External aid dynamics in the Energy sector by groups of international organizations



US\$ 45,348 thousand in 2013. Overall, the aid to sector in 2013 increased by 55% compared to 2012, while the assistance of multilateral organizations increased almost 3 times, and bilateral aid organizations decreased for 27%.

Thus, the largest amount of aid received from multilateral organizations was US\$ 45,348 thousand or 77.2% of all aid received by the sector in 2013 (Fig. 92). Bilateral organizations were assisted in the amount of 13,287 thousand, or 22.6%, NGOs – US\$ 90 thousand or 0.2%.

Analysis of the structure of external funds disbursement by the implementing agencies showed that the largest amount of aid has been disbursed by project management (implementation) units of investment projects in the amount of US\$ 44,854 thousand or 76.38% (Fig. 93). Ministries and agencies disbursed US\$ 10,342 thousand, or 17.61%. Local NGOs disbursed US\$ 12 thousand or 0.02%.

Thus, national stakeholders disbursed US\$ 55,208 thousand, or 94.0% in 2013.

A total of US\$ 922 thousand were directly disbursed by multilateral organizations (1.6%). The share of NGOs in the disbursement of funds is US\$ 127 thousand or 0.22%.

During the reporting year, the largest assistance to the Energy sector was provided by the Asian

Figure 92. The aid structure to the Energy sector by groups of international organizations in 2013

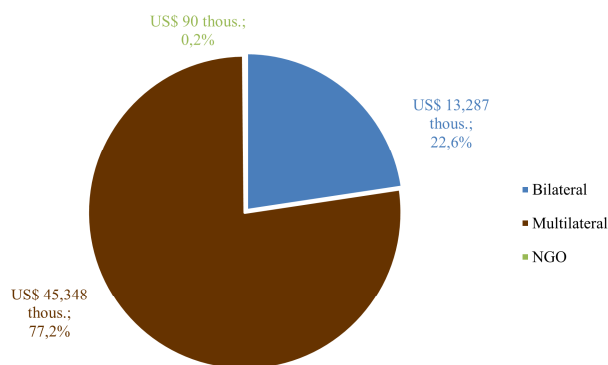


Figure 93. Disbursement of aid in the Energy sector by implementing agencies for 2013

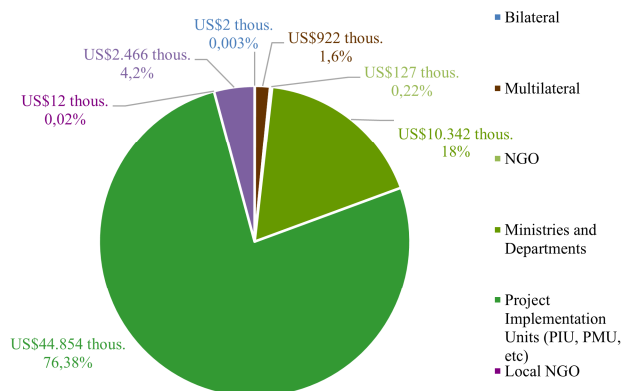
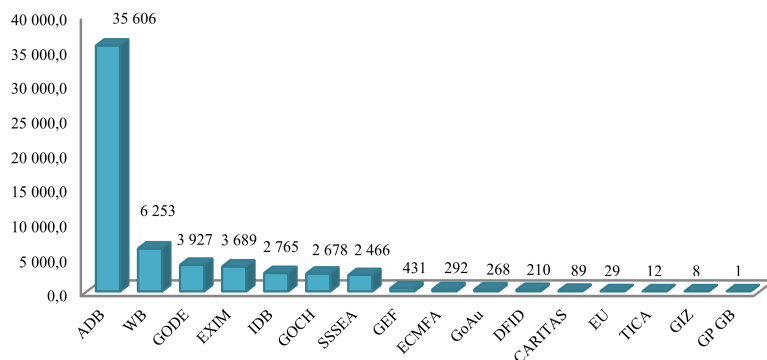


Figure 94. Chart of disbursement volumes in the Energy sector by funding sources for 2013



Assistance of bilateral organizations in 2002-2008 tended to grow, there was a sharp increase in 2007 and 2008; while bilateral organizations provided a maximum value of aid in the amount of US\$ 164,237 thousand in 2008 (Fig. 91). In subsequent years, there was a sharp decline in annual volumes of aid provided by bilateral organizations, which amounted to US\$ 13,287 thousand in 2013. Assistance of multilateral organizations in this period tended to grow and increased from US\$ 4,857 thousand in 2002 to

Development Bank in the amount of US\$ 35,606 thousand or 60.6% of total aid for the sector in 2013 (Fig. 94). Also, external aid was provided by such organizations such as the World Bank - US\$ 6,253 thousand (10.6%), the Government of Germany - US\$ 3,927 thousand (6.7%), the Exim Bank of China - US\$ 3,689 thousand (6.3%), etc.

Figure 95. The structure of projects' number by their duration in the Energy sector for 2013

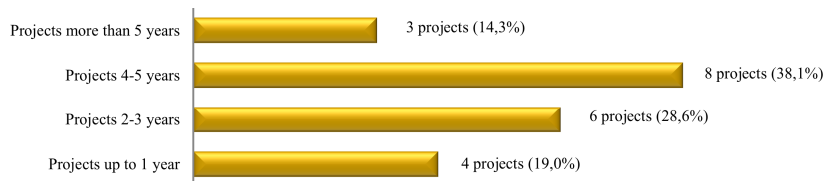
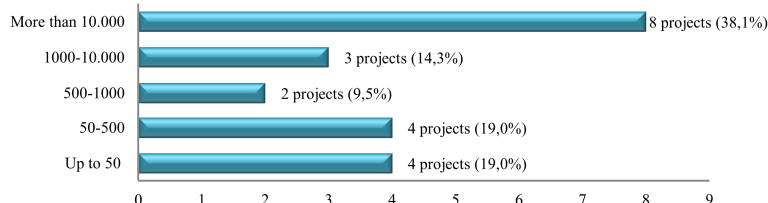


Figure 96. The structure of projects' number by their value in the Energy sector for 2013



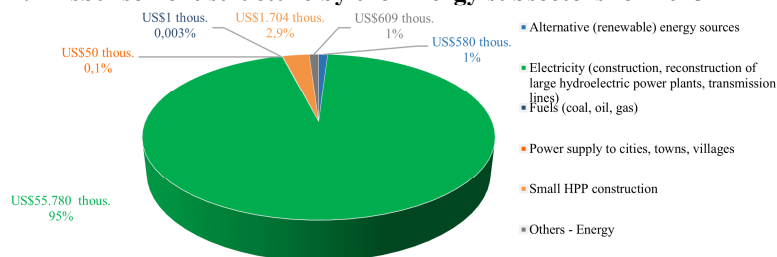
In the aid structure to the Energy sector, the largest share account for long-term projects with 4-5 years duration (38.1%) and mid-term projects with 2-3 years duration (28.6%) (Fig. 95).

The share of projects worth US\$ 10,000 thousand accounts for 38.1%, and projects worth 1,000-10,000 thousand dollars is 14.3% (Fig. 96)

Thus, the implementation of projects with 4-5 years duration and cost over US\$ 10,000 thousand and more prevailed in 2013 in the Energy sector. It demonstrates a long-term nature of attraction and use of external aid in the sector.

Of 21 projects that were implemented in the Energy sector in 2013, 9 projects (43%) were realized in "Power (construction, reconstruction of large hydroelectric power stations, transmission lines) sub-sector," 3 projects (14%) - in the "Development of Small Hydro Power Plants" subsector, 2 projects (10%) in the "Alternative (renewable) Energy sources" subsector, and 1 project (5%) in "Fuel (coal, oil, gas)" and "Power supply of cities, towns and villages" subsectors. 7 projects (33%), which were not included in the above sub-sectors are referred to the "Other" sub-sector.

Figure 97. Disbursement structure by the Energy subsectors for 2013



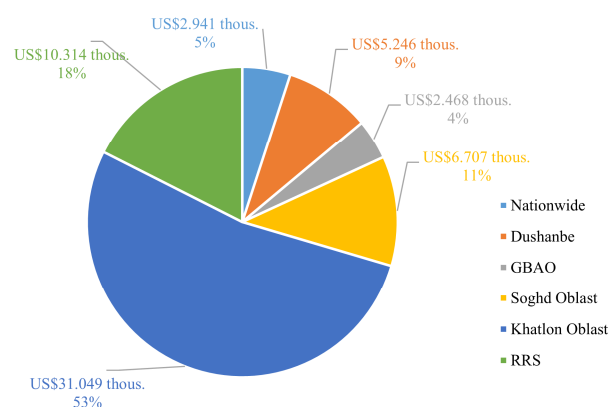
In 2013, of US\$ 58,725 thousand assistance provided to the Energy sector, the largest part of it in the amount of US\$ 55,780 thousand (95%) was used for the development of "Power (construction, reconstruction of large hydroelectric power stations, transmission lines)" subsector (Figure 97). Of these, US\$ 35,606 thousand (64%) were

provided by the Asian Development Bank. The assistance in "Small Hydro Power Development" subsector was US\$ 1,704 thousand (2.9%). There is a lack of support of such subsectors of the Energy as "Alternative (renewable) Energy sources" - US\$ 580 thousand (1%), "Power supply of cities, towns and villages" - US\$ 50 thousand (0.1%), and "Fuel (coal, oil, gas)" - one thousand dollars (0.003%).

Regionally, the largest volumes of aid have been used for projects in Khatlon region, which amounted to US\$ 31,049 thousand or 53% of total aid to the Energy sector in 2013. The Asian Development Bank provided significant assistance in the implementation of "Reconstruction of 500 kilowatt SWYD on Norak HPP." A total of six external aid projects were implemented in Khatlon region in 2013 under the Energy sector, the total commitments were US\$ 107,178 thousand.

Five (5) external aid projects were implemented in 2013 in RRS with disbursements accounted for US\$ 10,314 thousand or 18% of total aid to the sector. More than half of the total assistance provided to RRS were used in "Energy Loss Reduction" project funded by the World Bank - \$3,685 thousand (35.7%), and "Reconstruction of Regar Substation - 500 kV", funded by the Exim Bank of China - US\$ 3,689 thousand (35.8%).

Figure 98. Disbursement structure under the Energy sector in the regions for 2013



In the reporting year, the Energy sector Sughd region has received assistance in the amount of US\$ 6,707 thousand (11%) as a result of implementation of four (4) external aid projects. More than 83% of all aid to Sughd region was disbursed under the "Regional Power Transmission" project funded by the Asian Development Bank with disbursements for total amount of US\$ 5,588 thousand.

Dushanbe city received assistance for support and development of the Energy sector in the amount of US\$ 5,246 thousand (8.9%), the national level projects – 2,941 thousand dollars (5.0%), GBAO – US\$ 2,468 thousand (4.0%).

The structure of assistance provided to the Energy sector in 2013, by expenditure categories, the share of costs for the Civil works and construction is 20.0% (US\$ 11,801 thousand), the share of spending on equipment and materials - 63.8% (US\$ 37,487 thousand). The cost of services (training, consultations) totaled US\$ 8,396 thousand (14.3%). Operating expenses amounted to US\$ 1,041 thousand or 2%.

Figure 99. Disbursement structure by works, goods and services in Energy sector for 2013

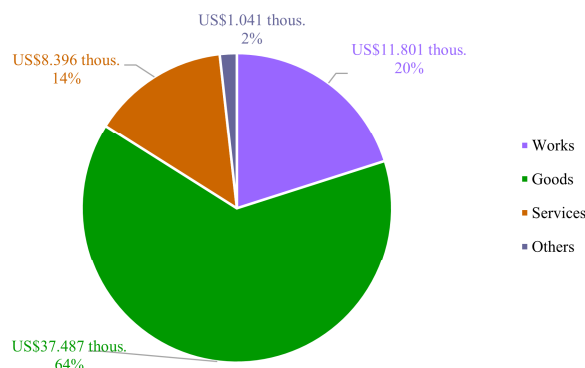


TABLE 30. Allocation of commitments and disbursements in Energy sector by expenditure type in 2013 (US\$ thousand)

Expenditure Types	Commitments	% of total	Disbursements	% of total	% of commitments
Civil Works & Construction	8 259 430	15%	11 801 283	20%	142,9%
Equipment incl. Vehicle,Furniture	33 156 914	60%	32 936 538	56%	99,3%
Materials/Goods	1 095 103	2%	4 550 419	8%	415,5%
Training/T.A.: Free Standing	79 820	0,1%	58 776	0,1%	73,6%
Consultancy: Investment Related	11 562 059	21%	8 336 972	14%	72,1%
Project Preparation	56 500	0%			
Operations/Recurrent Cost	950 365	2%	1 040 879	2%	109,5%
Contingency	388 200	1%			0%
Total	55 548 391	100%	58 724 867	100%	105,7%

Out of 21 projects implemented in the Energy sector in 2013, 6 projects (28.6%) were carried out in accordance with LSIS for 2013-2015. LSIS Action Matrix provides for implementation of 15 measures in the Energy sector, of which three measures have been implemented in the reporting year (20%). Disbursements under LSIS amounted US\$ 28,057 thousand or 47.9% of the total amount of aid to the sector. For successful implementation of LSIS for 2013-2015, the Ministry of Energy and Water Resources in collaboration with SCI should intensify efforts to targeted attraction of external aid to the needs of the strategy.

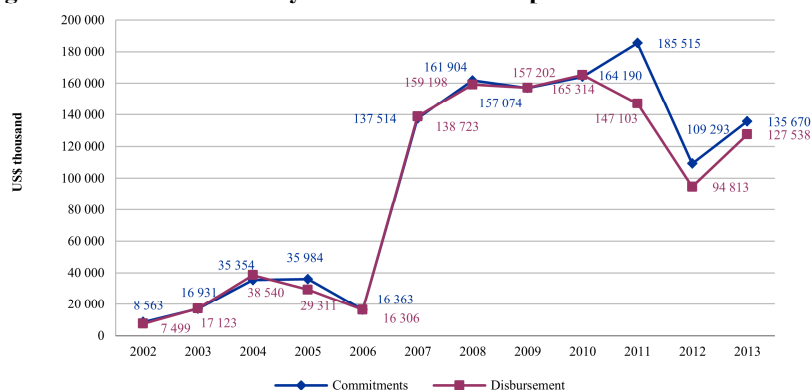
TABLE 31. LSIS measures realized in Energy sector in 2013

LSIS Sector/LSIS Measure	Disbursements by LSIS (US dollar thous.)
2.1. Energy, industry and other sectors' development	28 057
2.1.2.1. Conduct analysis and implement actions on reducing electricity loss	5 359
2.1.3.1. Modify the structure and introduce new production capacities and energy infrastructure (without HPP "Roghun" and CASA)	3 689
2.1.4.1. Environmental testing of 17 ongoing and constructing objects	19 009

Analysis of the key project indicators showed that by attracting external aid in the Energy sector, a total of 168,088 pieces of electricity meters (62.7%) have been installed, 8 small hydropower plants built (100%), 116 km of power lines (45.3%), 21,264 pieces of equipment delivered (29.8%) for a total amount of US\$ 6,280 thousand (100%), and 176 workshops and training (94.6%) were held. 26 international consultants (100%) were involved to provide projects implementation services in the Energy sector.

6.5. TRANSPORT

Figure 100. External Aid Dynamics in the Transport Sector for 2002-2013

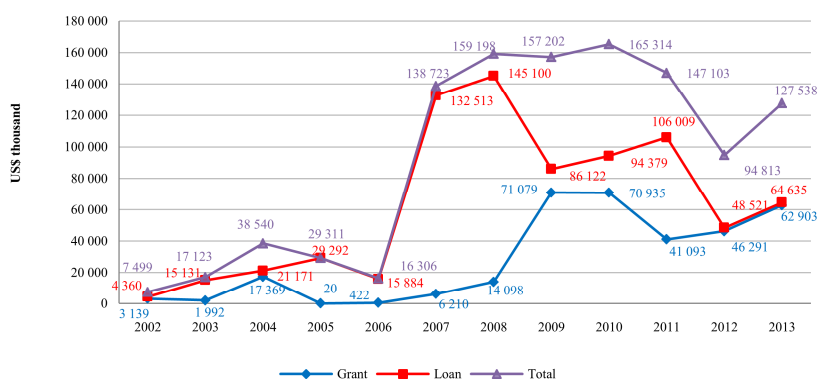


Over the period of 2002-2010, external aid in Transport sector tended to increase, while in 2010 it reached its maximum value of US\$ 164,190 thousand (Fig. 100). In the next two years, the annual volumes of aid declined and in 2012 amounted to US\$ 94,813 thousand.

In 2013, 23 agreements were implemented in the Transport sector in the framework of 15 external aid projects financed by 10 donors. During the reporting year, donors

have provided external assistance to US\$ 127,538 thousand or 27.2% of the total assistance provided to the country.

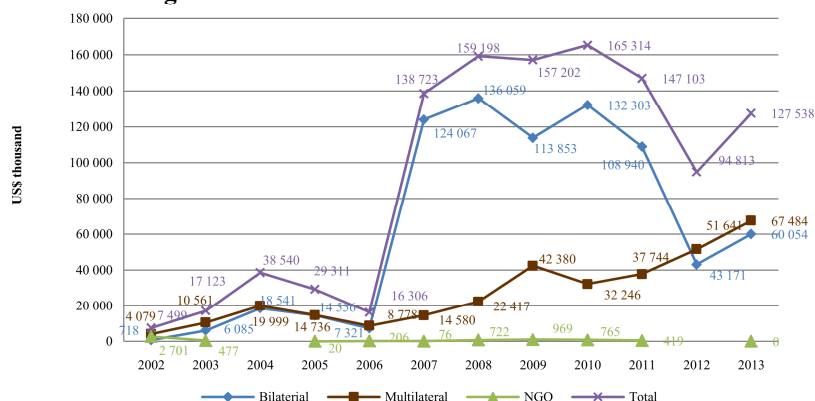
Figure 101. External Aid Dynamics in the Transport Sector by loans and grants for 2002-2013



For 2002-2008, assistance in the form of loans increased from 4,360 thousand to US\$ 145,100 thousand (Fig. 101). In subsequent years, the sector assistance in the form of loans continued to decrease and in 2013 amounted to US\$ 64,635 thousand. Assistance to sector in the form of grants for the period of 2002-2009 tended to increase in 2009 and peaked in the amount of US\$ 71,079 thousand. In the next two years, the volume of grant aid declined and in

2011 amounted to US\$ 41,093 thousand. In 2012-2013, the grant component of external aid increased and amounted to US\$ 62,903 thousand in 2013.

Figure 102. External Aid Dynamics in the Transport Sector by groups of international organizations



Aid of bilateral organizations over the period of 2002-2008 tended to increase, especially its sharp increase was observed in 2007 (Fig. 102). The maximum value of aid from bilateral organizations reached 136,059 thousand dollars in 2008. In subsequent years, aid of bilateral organizations declined, particularly sharp declines is observed in 2012, when aid amounted to US\$ 43,171 thousand. In 2013, the aid of bilateral organizations increased and amounted to US\$ 60,054 thousand.

The aid of multilateral organizations in this period tended to grow and increased from US\$ 4,079 thousand in 2002 to US\$ 67,484 thousand in 2013.

In the reporting year, the largest aid was received from multilateral organizations in the amount US\$ 67,484 thousand or 52.9% of all aid received by the sector in 2013 (Fig. 103). Bilateral organizations provided assistance in the amount of 60,054 thousand dollars, or 47.1%, NGOs – US\$ 645 thousand or 0.001%.

Analysis of the structure of disbursement of external funds by the implementing agencies showed that the largest amount of aid have been disbursed by the investment project management (implementation) units in the amount of US\$ 114,792 thousand or 90%. Ministries and departments have disbursed 1,100 thousand USD or 0.86% (Fig. 104).

Thus, the national stakeholders in 2013 spent about 91% of the aid received by the Transport sector. At the same time, the disbursement of funds through project management (implementation) units, ministries/agencies tends to grow.

Bilateral organizations disbursed US\$ 11,645 thousand (9.0%). Non-governmental international organizations disbursed US\$ 645 thousand (0.001%). It should be noted that all assistance provided by multilateral organizations was disbursed by other implementing agencies. In the fiscal year, significant aid was provided to Transport sector by such organizations as the Asian Development Bank in the amount of US\$ 51,298 thousand or 40% of total aid to the sector for 2013 year, the Export-Import Bank of China - US\$ 38,469 thousand (30%), Japan International Cooperation Agency - US\$ 12,545 thousand (10%),

Figure 105. The chart of disbursements in Transport sector by funding sources o for 2013

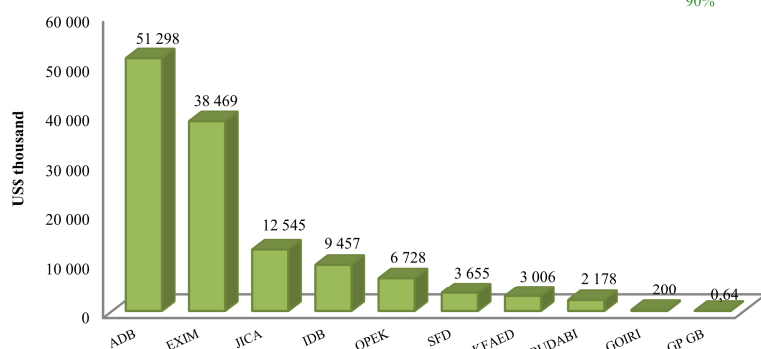


Figure 106. Structure of projects' number by their duration in Transport sector for 2013

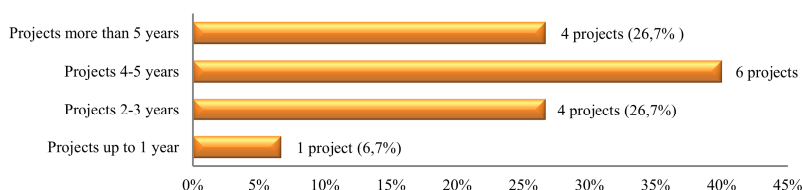


Figure 107. Structure of projects' number by their value in Transport sector 2013

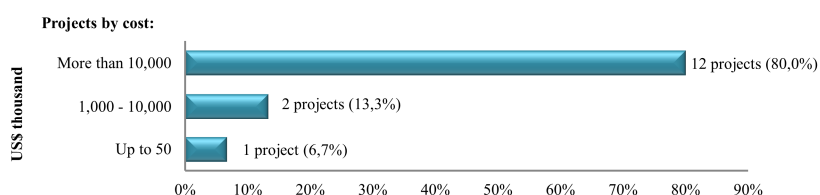


Figure 103. Aid Structure in the Transport sector by groups of international organizations in 2013

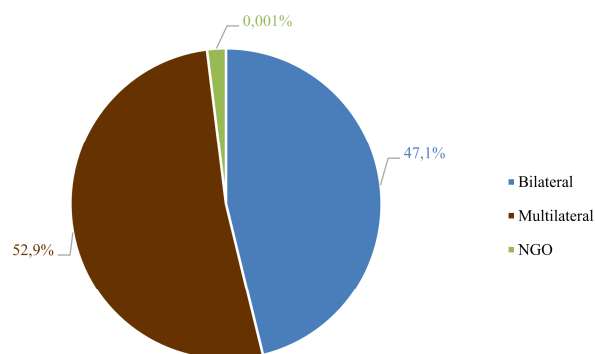
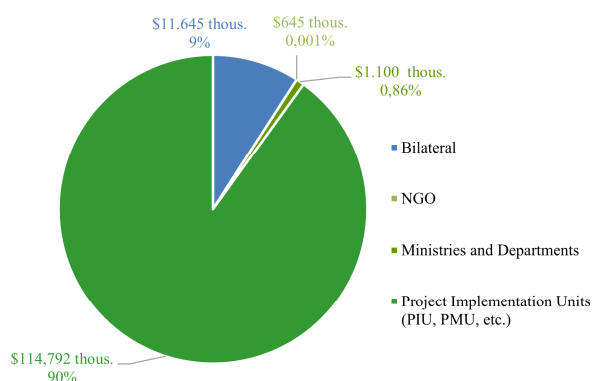


Figure 104. Aid disbursement structure in the Transport sector by the implementation agencies for 2013



the Islamic Development Bank - US\$ 9,457 thousand (7.0%) and others (Fig. 105).

In the Transport sector, 15 projects were implemented in 2013 with disbursements that reached US\$ 127,538 thousand.

The projects of 4-5 years duration (40.0%) have the largest share, followed by projects with duration of more than 5 years (26.7%) and 2-3 years (26.7%) (Fig. 106).

The share of projects worth more than US\$ 10,000 thousand accounts for 80.0% (12 projects) and the share of projects worth 1,000-10,000 thousand US dollars is 13.3% (Fig. 107). Only one project has a duration of up to 1 year.

Thus, the projects of 4-5 years duration and worth more than US\$ 10,000 thousand were mainly implemented in 2013 in Transport sector. It mainly demonstrates the long-term nature of attraction and use of external aid in the Transport sector.

Of 15 projects, which were implemented in the Transport sector in 2013, all the projects carried out in the "Construction, reconstruction of roads, bridges and tunnels" sub-sector.

Regionally, the largest amounts of aid have been used for projects in Khatlon region, which amounted to US\$65,600 thousand or 36.4% of total aid to the Transport sector in 2013.

These are such projects as "Rehabilitation of the Dushanbe-Kulma, Dushanbe – Danghara section" project, "Construction of Kulob Kalaikhumb Road" project, "Reconstruction of Kurgantube-Dusti road (Phase 2)" and etc. In 2013, a total of 5 external aid projects have been implemented in Khatlon region with total commitments amounting US\$ 246,862 thousand.

Regions of Republican Subordination (RRS) were provided assistance for supporting and development of the Transport sector in the amount of US\$ 35,299 thousand (31.85%), Sughd - US\$ 18,924 thousand (16.25%), GBAO – US\$ 5,309 thousand (6.06%), at the national level – US\$ 2,406 thousand (2.39%).

In the structure of assistance provided to the Transport sector in 2013, by categories of expenditure, the share of the cost of civil works and construction is 96.20% (US\$ 122.654 thousand), the share of spending on equipment - 0.1% (US\$ 185 thousand). Expenses for consultations relating to investments totaled US\$ 3,515 thousand (2.8%). A total of US\$ 900 thousand, or 0.7% have been spent for the Project preparation.

Figure 108. Disbursement structure by Transport sector in the regions for 2013

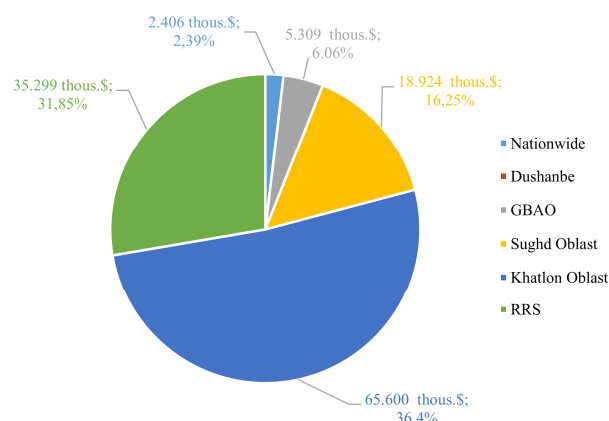


TABLE 32. Allocation of commitments and disbursements in Transport sector by expenditure type in 2013 (US\$ thousand)

Expenditure Types	Commitments	% from total	Disbursements	% from total	% from commitments
Civil Works & Construction	126 039	92,9%	122 653	96,2%	97,3%
Equipment incl. Vehicle,Furniture	2 150	1,6%	185	0,1%	8,6%
Consultancy: Investment Related	4 445	3,3%	3 515	2,8%	79,1%
Project Preparation	900	0,7%	900	0,7%	100,0%
Operations/Recurrent Cost	160	0,1%	107	0,1%	67,0%
Contingency	1 966	1,4%	177	0,1%	9,0%
Total	135 660	100%	127 538	100%	94,0%

Of 15 projects that were carried out in the Transport sector in 2013, 9 projects (60%) were implemented in accordance with LSIS for 2013-2015. LSIS Action Matrix provides for implementation of 16 measures in Infrastructure development sector: Transport and communications, of which two measures were implemented in the reporting year (12.5%). Disbursements on LSIS measures amounted to US\$ 114,991 thousand or 90.2% of the total amount of aid sector.

TABLE 33. LSIS measures realized in Transport sector in 2013

PRS Sector / PRS Measure	Disbursement by PRS (USD thous.)
2.2 Infrastructure development: transport and communication	114 991
2.2.1.3. Contribute to obtaining automobile transport facilities meeting international transportation requirements	21 126
2.2.4.1. Implement motor road contraction projects	93 865

Analysis of key projects indicators showed that as a result of attraction of external aid in the Transport sector under existing project 17 km of new roads for public use (17.9%) were built, 32 km roads along urban vicinities (100%) were restored/reconstructed, 304 km of roads were restored/reconstructed for public use (77.6%), 6 km of tunnels were built (66.7%), 321 bridges were built (60.3%) 396 units of equipment (100%) delivered. 5 international consultants (100%) were involved to provide services for projects in the Transport sector.

6.6. WATER, SANITATION AND HMC

In 2013, a total of 48 agreements were implemented in Water, Sanitation and HMS as part of 31 external assistance projects financed by 18 donors. During the reporting year, donors have provided external assistance in the amount of US\$ 30,349 thousand or 6.5% of the total assistance provided to the country.

Figure 109. External Aid Dynamics in the Water, Sanitation and HMS

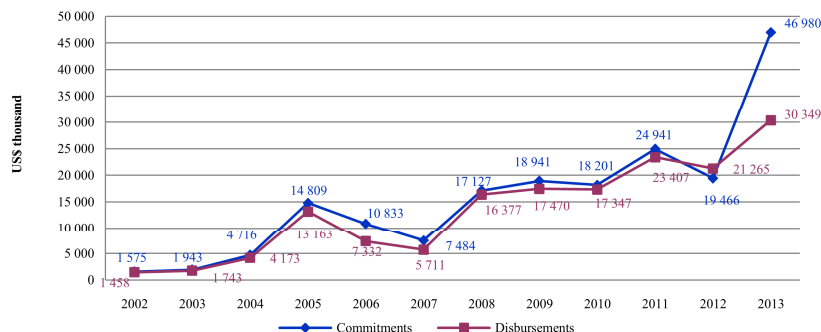


Figure 110. External Aid Dynamics in the Water, Sanitation and HMS by loans and grants

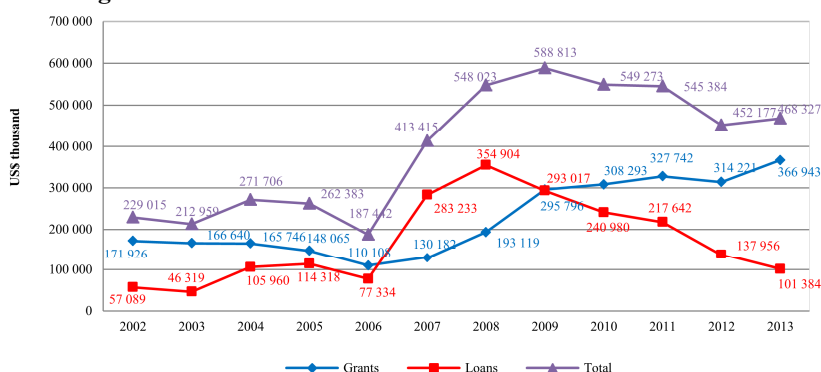
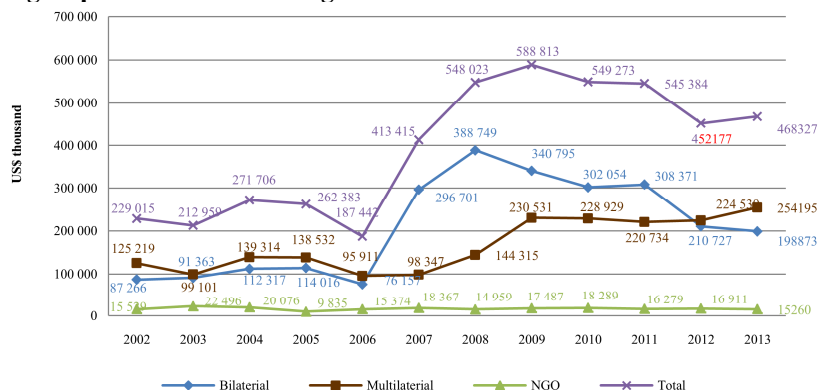


Figure 111. External Aid Dynamics in the Water, Sanitation and HMS by the groups of international organizations



multilateral organizations for more than 3 times.

During the reporting year, the Water, Sanitation and HMS sector received the greatest amount of assistance from multilateral organizations in the amount US\$ 16,361 thousand or 53.9% of the total aid received by the sector in 2013. Bilateral organizations provided assistance in the amount of US\$ 13,465 thousand, or 44.4%, NGOs – US\$ 523 thousand or 1.7% (Fig.112).

In general, the aid to Water, Sanitation and HMS sector for 2002-2013 tends to grow. In 2013, there is a large gap between commitments and disbursements (Fig.109). This is mainly associated with implementation of the two projects, "Rehabilitation of the water supply system in the northern cities of Tajikistan," with disbursements amounted to US\$ 5,699 thousand against commitments in the amount of US\$ 13,081 thousand and "Rehabilitation of the water supply system of the central cities of Tajikistan" as part of which disbursements were made in the amount of US\$ 1,678 thousand against commitments in the amount of US\$ 7,734 thousand. Due to the low pace of external funds disbursement for these projects, the timing of their implementation was extended for one year.

In the analyzed period, the aid tends to grow in the form of loans and grants. At the same time the grant component of external assistance increases more rapidly. Grant assistance far exceeds aid in the form of loans (Fig.110). So in 2013 the volume of grants was 4 times higher than the volume of loans.

The assistance of multilateral, bilateral nongovernmental international organizations tends to grow in the period under review (Fig.111).

Over the past five years, the aid to the sector has increased by more than 1.7 times, while aid of bilateral organizations grew by 12%, and

Analysis of the structure of external funds disbursement by the implementing agencies showed that the largest amount of aid was disbursed by ministries and departments in the amount 11,597 thousand dollars, or 38.2% (Fig.113).

Investment projects management (implementation) units disbursed US\$ 11,325 thousand, or 37.3%. Local NGOs disbursed US\$ 230 thousand, which is 0.8%.

Thus, in 2013 the national stakeholders disbursed about 76% of aid received by Water, Sanitation and HMS sector. At the same time, the disbursements of funds through the ministries/ departments and local NGOs tends to grow.

Multilateral organizations disbursed US\$ 100 thousand (0.3%). It should be noted that the share of international NGOs in the disbursement of funds accounts for 9.4%, of which 1.7% are the NGOs own funds, and 7.7% account for multilateral and bilateral organizations. The aid provided by bilateral organizations was not directly disbursed by themselves.

During the reporting year, significant assistance to Water, Sanitation and HMS sector has been provided by bilateral such organizations as the Government of Japan in the amount of US\$ 5,511 thousand or 18.2% of total aid for the sector in 2013, the Japan International Cooperation Agency – US\$ 3,000 thousand (9.9%), Swiss Cooperation Office/Consulate in Tajikistan - US\$ 2,477 thousand (8.2%), the US Agency for International Development in Tajikistan - US\$ 2,000 thousand (6.6%) etc.(Fig.114).

Figure 114. The disbursements chart in Water, Sanitation and HMS by funding sources in 2013

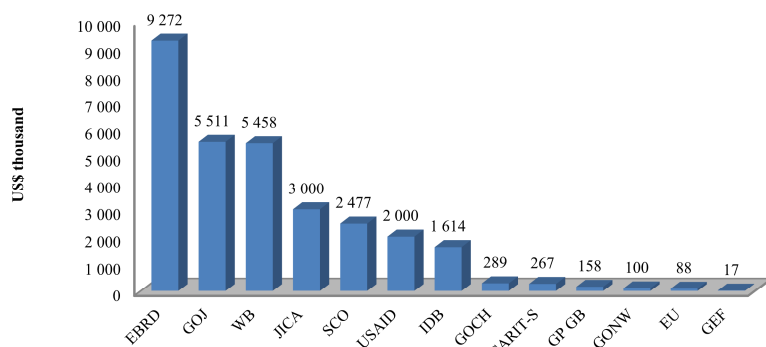


Figure 115. Structure of the projects' number of different duration in Water, Sanitation and HMS sector in 2013

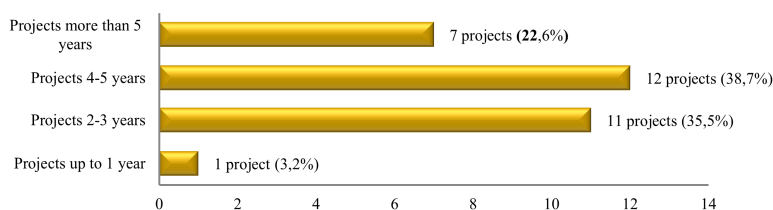


Figure 112. Structure of external aid disbursement in the Water, Sanitation and HMS sector by groups of international organizations in 2013

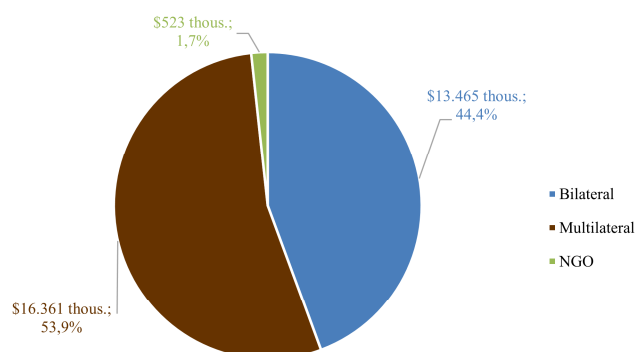
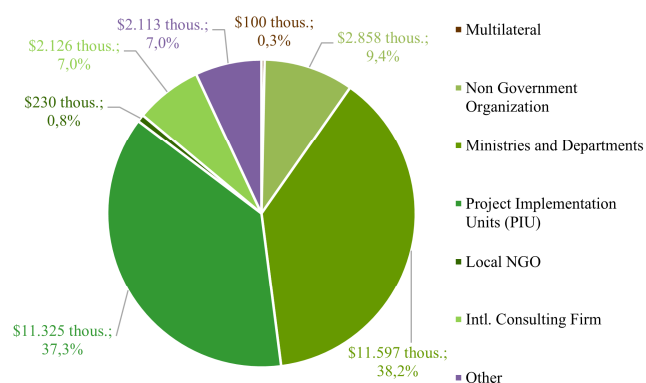


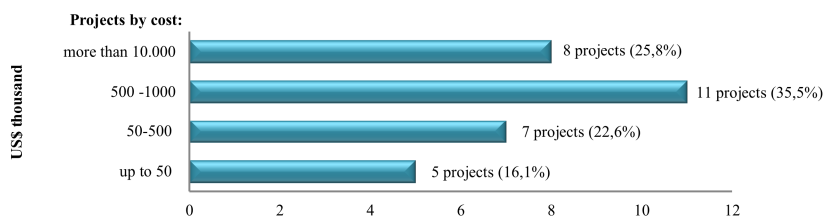
Figure 113. Structure of external aid disbursement in Water, Sanitation and HMS sector by Implementing agencies for 2013.



From multilateral organizations significant assistance is provided by the European Bank for Reconstruction and Development in the amount of US\$ 9,272 thousand (30.6%), the World Bank - US\$ 5,458 thousand (18.0%), the Islamic Development Bank – US\$ 1,614 million (5.3%), etc.

A total of 31 projects was implemented in Water, Sanitation and HMS sector in 2013, for which disbursements were made in the amount of US\$ 30,349 thousand. The implementation of projects with duration of 4-5 years (38.7%) and 2-3 years (35.5%) prevailed in the indicated year (Fig.115). It demonstrates mainly long-term and mid-term nature of the attraction and use of external aid in the sector.

Figure 116. Structure of the number of projects of different value in Water, Sanitation and HMS sector for 2013



Analysis of the structure of the number of projects by their value shows that the largest proportion in Water, Sanitation and HMS sector account for the projects worth 1,000 to 10,000 thousand US dollars - 35.5% of the total number of projects (Fig.116). The projects worth more than US\$ 10,000 thousand account for 25.8%.

It should be noted that relatively high proportion of small projects costing up to US\$ 50 thousand (16.1%) is in Water, Sanitation and HMS sector in the period under review, suggesting that there is fragmentation of external aid in the sector.

Out of 31 projects that were implemented in Water, Sanitation and HMS sector in 2013, one project (3.2%) was realized in "Local (municipal) infrastructure" sub-sector, 5 projects (16.1%) - in "Sewerage (renovation, expansion of sewerage networks, waste management)" subsector, 25 projects (80.6%) in "Water supply subsector (rehabilitation, expansion of the water supply system)". 2 projects (6.5%), which were not included in the above sub-sectors are referred to "Other" sub-sector. Due to the fact that some projects are implemented in several subsectors, the arithmetic sum of projects by sub-sector exceeds the actual number of projects in the sector.

In 2013, of US\$ 30,349 thousand assistance provided to Water, Sanitation and HMS sector, its highest volume in the amount of US\$ 19,241 thousand (63.4%) was used for the development of "Water supply subsector (rehabilitation, expansion of the water supply system)" (Fig.117). Assistance for the development of "Sewerage (renovation, expansion of sewerage networks, waste management)" subsector amounted to US\$ 7,376 thousand (24.3%), for the development and support of "Local (municipal) infrastructure" – US\$ 2,000 thousand (6.6%).

Regionally, the largest amounts of aid have been used in Khatlon region, which amounted to US\$ 13,503 thousand or 44.5% of the total assistance to the Water, Sanitation and HMS sector in 2013 (Fig.118). More than half of the total assistance provided to Khatlon, was used in Mir Sayeed Alii Hamadoni district that amounted US\$ 8,511 thousand (63.2%). This is mainly linked with the implementation of "Improving water supply for the population of Mir Sayeed Alii Hamadoni district project (Japan), disbursement for which amounted US\$ 5,511 thousand and "Improvement of water supply system in Sayeed Alii Hamadoni district" project (JICA), for which disbursements were made in the amount of US\$ 3,000 thousand. In 2013, external aid for the development of Water, Sanitation and HMS sector was provided to 10 districts of Khatlon region.

In the reporting year, Sughd region received aid for the Water, Sanitation and HMS sector development in the amount of US\$ 5,198 thousand (17.1%) as a result of implementation of 7 external aid projects. The largest amounts of disbursements were made in Isfara town and B. Gafurov district as part of "Rehabilitation of water supply system in the northern cities of Tajikistan" project (EBRD) in the amount of US\$ 2,465 thousand (47.4%). In 2013, external aid projects were implemented in 8 districts of Sughd region.

For national level projects, the disbursements totaled US\$ 5,170 thousand (17.0%). Those are such projects as "Second Dushanbe Water Supply Project" (WB) with a total value of US\$ 4,221 thousand, "Local Governance Project" (USAID) with a total cost of US\$ 4,000 thousand, "Municipal (communal) infrastructure Development Project", "Rural Development Project", "Support to strengthen national food security information system in Tajikistan"

Figure 117. Disbursement structure by Water, Sanitation and HMS sub-sector in 2013

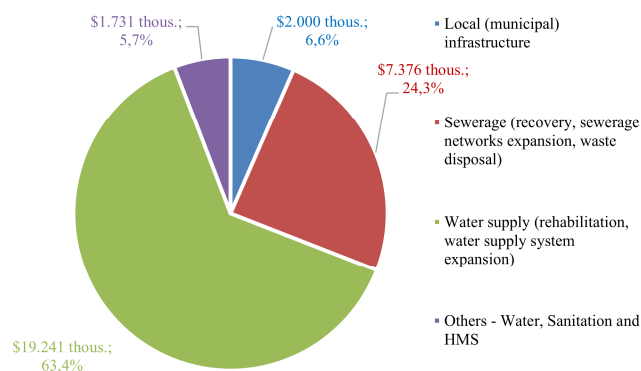
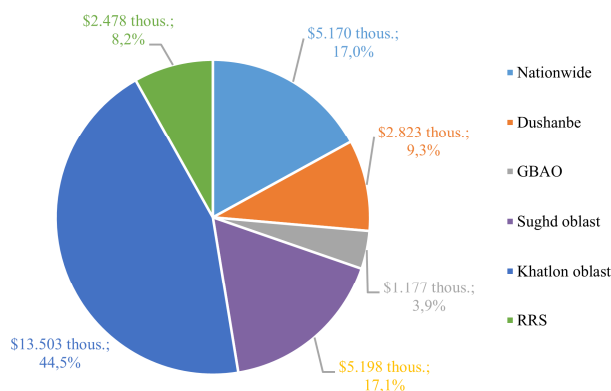


Figure 118. Disbursement structure for the Water, Sanitation and HMS sector in the regions in 2013



(WB) for a total value of US\$ 24,935 thousand and etc. At the national level, eight (8) external aid projects worth a total US\$ 86,441 thousand of were implemented in 2013.

Dushanbe city received aid for support and development of Water, Sanitation and HMS sector in the amount of US\$ 2,823 thousand (9.3%), RRS - US\$ 2,478 thousand (8.2%), GBAO – US\$ 1,177 thousand (3.9%).

In the aid structure provided to Agriculture and Irrigation sector in 2013, the share of expenses for the Civil works and construction accounts for 59.8% (US\$ 18.154 thousand), the share of expenses on equipment and materials - 16.4% (US\$ 4,967 thousand). The expenses for services (training, consultations, project preparation) totaled US\$ 4,226 thousand (13.9%). Other expenses amounted US\$ 3,001 thousand or 9.9%. In other expenses the share of operating costs is high, which accounts for 92.7% (Fig.119).

Figure 119. Disbursement structure for works, goods and services in Water, Sanitation and HMS sector in 2013

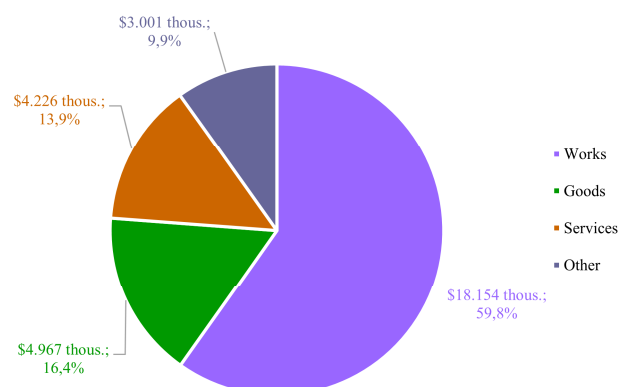


TABLE 34. Allocation of commitments and disbursements in Water, Sanitation and HMS sector by expenditure type in 2013 (US\$ thousand)

Expenditure Type	Commitments	% of total	Disbursements	% of total	% of commitments
Total	47 022	100.00%	30 349	100.00%	47 022
Civil Works & Construction	29 304	62.32%	18 154	59.82%	29 304
Equipment incl. Vehicle,Furniture	6	0.01%	844	2.78%	6
Materials/Goods	8 868	18.86%	4 124	13.59%	8 868
Training/T.A.: Free Standing	352	0.75%	408	1.34%	352
Consultancy: Investment Related	5 461	11.61%	3 780	12.46%	5 461
SubLoans/On-Lending					
Project Preparation	31	0.07%	38	0.13%	31
Maintenance	331	0.70%	156	0.51%	331
Operations/Recurrent Cost	2 605	5.54%	2 782	9.17%	2 605
LoanService/Interest/Commitment Charge	2	0.01%	2	0.01%	2
Contingency					
Special Account					
Direct support to government budget					
Direct support to sectoral budget	62	0.13%	60	0.20%	62

Operating costs are high in "Local (municipal) infrastructure" sector, which amounted to US\$ 1,750 thousand or 87.5% of the amount of aid provided for the sub-sector in 2013.

Out of 31 projects implemented in Water, Sanitation and HMS sector in 2013, 10 projects (32.3%) were carried out in accordance with LSIS for 2013-2015. LSIS Action Matrix provides for the implementation of 9 measures in LSIS sector - providing clean water, sanitation and public services, of which 4 measures have been implemented in the reporting year (44.4%). Disbursements on LSIS measures amounted to US\$ 14,444 thousand or 47.6% of the total amount of aid to the sector (Table 35).

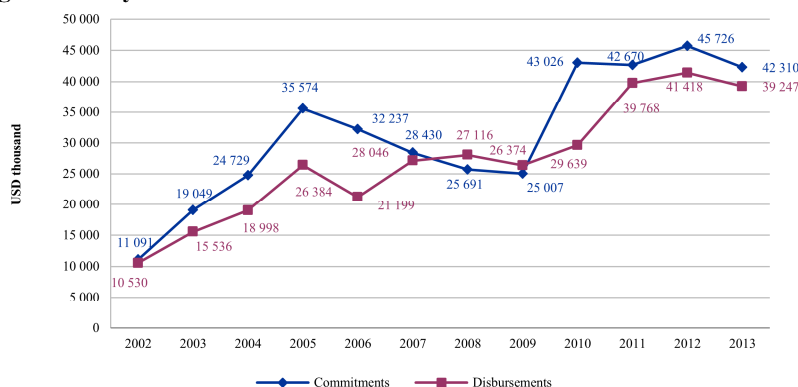
TABLE 35. LSIS measures realized in Water, Sanitation and HMS sector in 2013

LSIS Sector / PRS Measure	Disbursement by LSIS (USD)
3.4 Provide population with clean water, sanitation and rendering communal services	14 444
3.4.1.2. Implement the "Program for improving population's supply with drinking water for 2007-2020"	1 523
3.4.1.3. Implement the project "Rehabilitation of water supply systems in cities and districts of Northern Tajikistan" (Konibodom, Isfara, Qayroqqum, B.Ghafurov, Chkalov, Taboshar) and Khorugh	4 837
3.4.1.4. Implement the project "Rehabilitation of water supply systems in central cities of Tajikistan" (Tursunzoda, Shahrinav, Hisor and Somoniyon)	1 678
3.4.1.9. Increase the territorial coverage, volume and quality of rendering communal services in the country's cities and districts	6 406

Analysis of key projects indicators showed that as a result of attraction of external aid to the Water, Sanitation and HMS sector 13 water wells were drilled (52% of the planned amount), 134 hydrant of general use were laid (100%), 17 hydraulic pump for drinking water supply and drainage of wastewater were rehabilitation (100%), a total of 24,878 water meters (61%) were installed, 37 public toilets were built (100%) and etc., 2500 beneficiaries were provided access to water supply system of clinics, hospitals and schools (100%). The number of new consumers as part of "Improvement of water supply for the population of Sayeed Alii Hamadoni district" projects was 1335 people (100%). 11 trainings and seminars (61%) designed to raise awareness of communities on issues related to water uses were conducted. 11 international consultants (100%) were engaged for provision of services under water, sanitation and HMS projects.

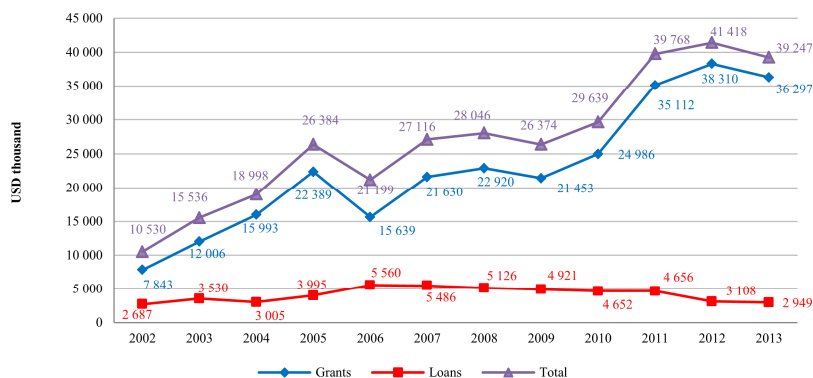
6.7. EDUCATION

Figure 120. Dynamics of external aid in the Education sector for 2002-2013



which amounted US\$ 42,310 thousand and US\$ 39,247 thousand, respectively. This is mainly linked with completion of long-term investment projects such as "Education System Modernization" project, "Primary Education, teaching practices," project etc.

Figure 121. Dynamics of external aid in the Education sector by loans and grants for 2002-2013



In 2013, 90 external aid agreements were implemented in Education sector as part of 67 projects financed by 28 donors. In the reporting year, the donors have provided external assistance in the amount of US\$ 39,247 thousand or 8.4% of the total assistance provided to the country.

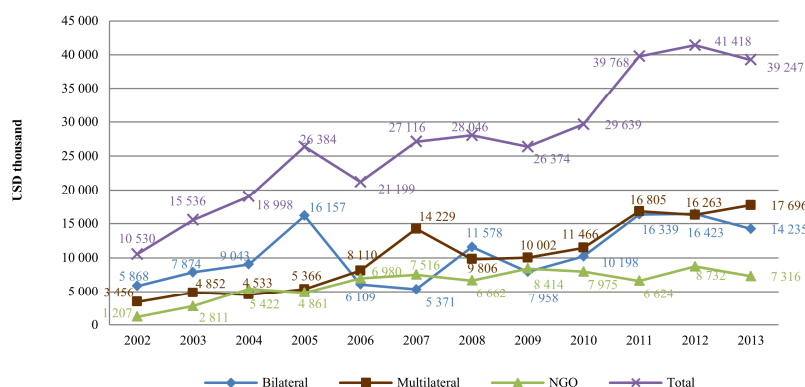
For 2002-2012, the aid to Education sector increased as a whole (Fig. 120), while for 2006-2009, there was a reduction of aid to the sector. In 2013, a slight decline in commitments and disbursements, This is mainly linked with completion of long-term investment projects such as "Education System Modernization" project, "Primary Education, teaching practices," project etc.

In the analyzed period, the assistance in the form of grants tends to increase, and assistance in the form of loans, since 2007 has a declining trend (Fig. 121). The grant assistance far exceeds the aid in the form of loans. Thus, the volume of grants exceeded that of loans for 4 times in 2013.

In the period under review, assistance by multilateral, bilateral nongovernmental international organizations tends to increase (Fig. 122). However, a slight decrease of aid by bilateral and international NGOs is observed in 2013.

Over the past five years the assistance to the sector as a whole increased by 1.5 times, while assistance of bilateral and multilateral aid organizations grew by 1.8 times, and non-governmental organizations has decreased by 1.2 times.

Figure 122. Dynamics of external aid in the Education sector by groups of international organizations for 2002-2013



In the reporting year, the largest amount of assistance was received by the Education sector from multilateral organizations in the amount of US\$ 17,696 thousand or 45% of all aid received by the sector in 2013 (Fig. 123). Bilateral organizations assisted in the amount of US\$ 14,235 thousand, or 36%, NGOs - US\$ 7,316 thousand or 19%.

Analysis of the disbursement structure of external funds by the implementing agencies showed that the largest amount of aid have been disbursed by the ministries and agencies in the amount of US\$ 12,035 thousand or 30.7% of the total amount of aid provided to the sector in 2013 (Fig. 124). As for the development partners, the most of assistance was provided directly by international multilateral organizations in the amount of US\$ 10,507 thousand, or 26.8%. International non-governmental organizations implemented the projects in the amount of US\$ 9,975 thousand, or 25.4%.

The investment projects management (implementation) units disbursed US\$ 1,238, or 3.2% of total aid to the sector. Local NGOs disbursed US\$ 121 thousand, or 0.3%.

Thus, in the 2013, the national stakeholders disbursed 34.7% of the aid received by the Education sector. The growth of funds disbursements by the ministries/agencies and local organizations and local governments is observed in the sector. Bilateral organizations disbursed a total of US\$ 3,952 million (10.1%). Multilateral organizations disbursed US\$ 10,507 thousand (26.8%). It should be noted that the share of NGOs in the disbursement of funds accounts for 25.4%, of which 19.0% account for NGOs own funds, and 6.5% - multilateral and bilateral organizations.

During the reporting year, significant assistance was provided to the Education sector by multilateral organizations, such as the World Food Programme, US\$ 9,568 thousand (24.4%), the World Bank in the amount of US\$ 6,816 thousand (17.4%), Saudi Development Fund - US\$ 2,917 thousand (7.4%), UNICEF – US\$ 1,118 thousand (2.8%) and etc. (Fig. 125).

From bilateral organizations, significant assistance to the sector for 2013 was provided by the German Government in the amount of US\$ 5,853 thousand, or 14.9%, USAID - US\$ 2,961 thousand (7.5%), the Government of the United States - US\$ 985 thousand (2.5%), etc.

In the Education sector, a total of 67 projects were implemented in 2013 with disbursements amounting US\$ 39,247 thousand. The implementation of projects with duration of 2-3 years (35.8%) prevailed in the reporting year. The projects with a duration of more than 5 years account for 28.4%, and projects with a duration of 4-5 years - 26.9%. It shows mainly medium and long-term nature of attraction and use of external aid in the sector.

Figure 123. The aid structure in the Education sector by groups of international organizations in 2013

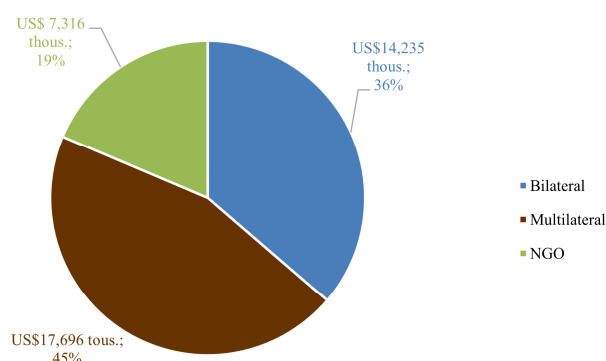


Figure 124. Disbursement structure of external aid in the Education sector by groups implementing agencies for 2013

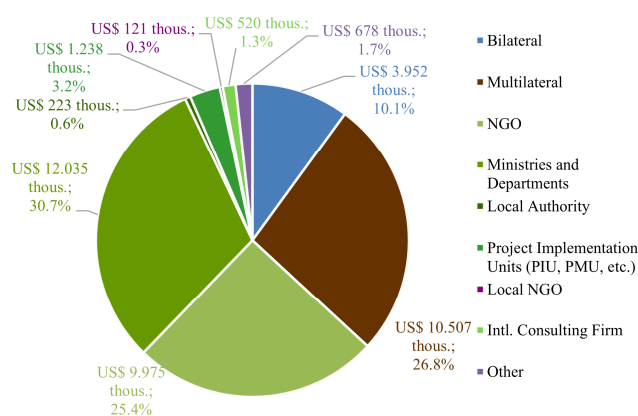


Figure 125. The disbursements chart in the Education sector by funding sources in 2013

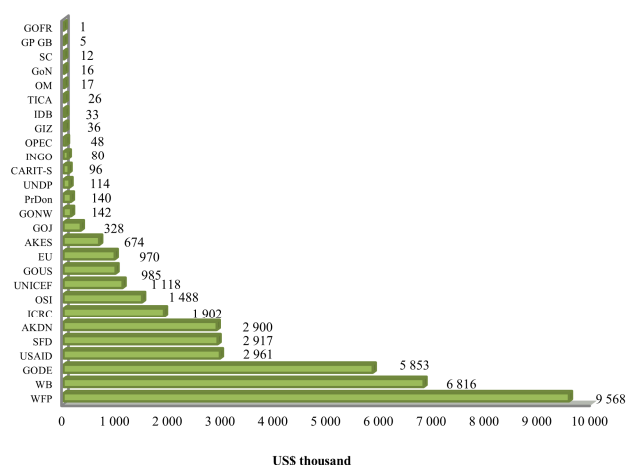
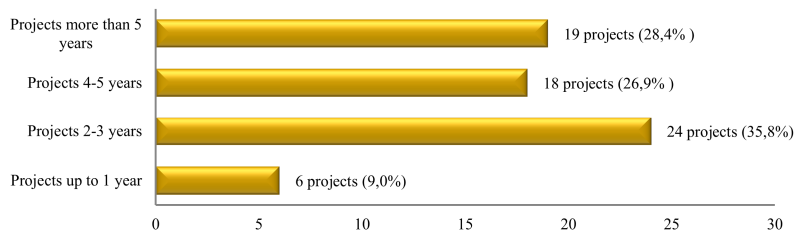
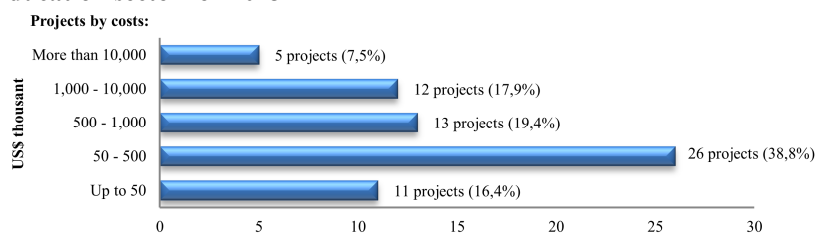


Figure 126. The structure of the number of projects of different duration in the Education sector in 2013



share of small projects with 1 year duration (9%) and cost up to US\$ 50 thousand (16.4%) is relatively high, which demonstrates the fragmentation of external aid in the Education sector.

Figure 127. The structure of the number of projects of different cost in the Education sector for 2013



sector. Due to the fact that some projects are implemented in several subsectors, the arithmetic sum of sub-sector projects exceeds the actual number of projects in the sector.

In 2013, of US\$ 39,247 thousand assistance provided to the Education sector, the largest part of it in the amount of US\$ 12,603 thousand (32.1%) was used for the development of Secondary and vocational education sub-sectors. Assistance for the development of "Primary education" subsector was US\$ 4,412 thousand (11.2%), for the development and support of "Higher Education" - US\$ 4,178 thousand (10.6%).

Regionally, the largest amounts of aid have been used at the national level, which amounted to US\$ 14,175 thousand or 36.1% of total aid to the Education sector for 2013 (Fig. 129). Khatlon region was assisted in the amount of US\$ 11,960 thousand, or 30.5%. About half of the total assistance provided to Khatlon region was used at the regional level in the amount of US\$ 4,907 thousand (41.0%). This is mainly linked with the implementation "Ensuring access to education for children from disadvantaged families" project, funded by the World Food Programme, with disbursements amounting US\$ 4,784 thousand. In 2013, 23 districts of Khatlon region received external aid for the development of Education sector.

Dushanbe city received assistance for the development of Education sector in the amount of US\$ 4,269 thousand (10.9%) via the implementation of 18 external aid projects, including "Additional funding for the Education sector modernization in the Republic of Tajikistan" (US\$ 1,521 thousand), "Promoting the National Testing Center of the Republic of Tajikistan" project (US\$ 272 thousand), "Cooperation for the dissemination of international humanitarian law" project (US\$ 1,902 thousand), etc.

Analysis of the structure of the projects number by their cost shows that the largest share in the Education sector accounts for the projects worth of US\$ 50 - 500 thousand - 38.8% of the total number of projects. The share projects worth US\$ 500-1,000 thousand is 19.4%.

Thus, in the period under review, the

Of the 67 projects that were implemented in the Education sector in 2013, 7 projects (10.4%) were realized in "Higher Education" sub-sector, 12 projects (17.9%) - in "Primary education" subsector, 17 projects (25.4%) - in "Secondary and vocational education" subsector (Fig. 129). 35 projects (52.2%) were referred to "Other-Education" sub-

Figure 128. Disbursement structure by sub-sectors of the Education sector for 2013

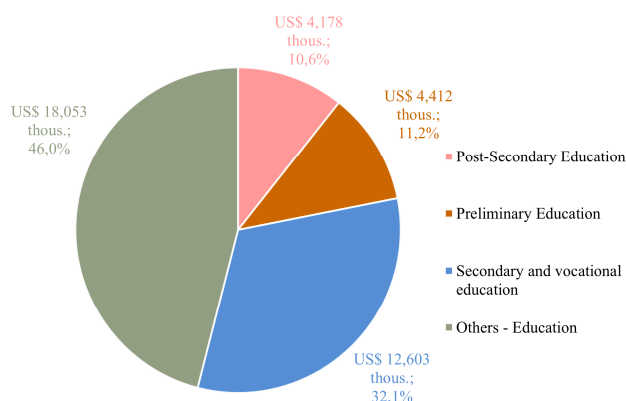
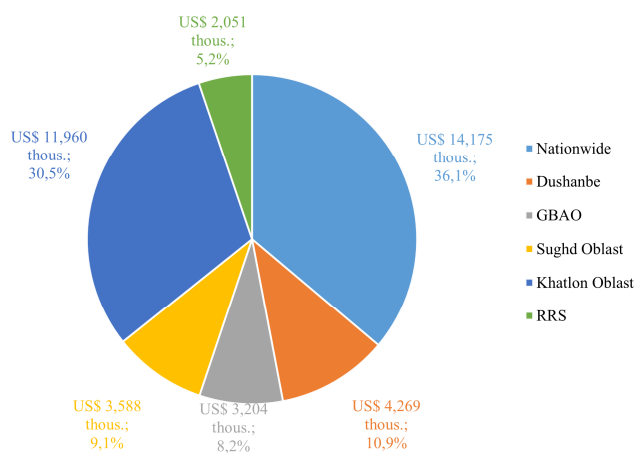


Figure 129. Disbursement structure for the Education sector in the regions in 2013



In the reporting year, Sughd region received assistance for the development of Education sector in the amount of US\$ 5,588 thousand (9.1%) via the implementation of 13 external aid projects. The largest disbursements were made at the regional level under "Access to education for children from disadvantaged families" project (WFP) in the amount of US\$ 3,445 thousand (61.6%). In 2013, the external aid projects implemented in 10 districts of Sughd region.

Gorno-Badakhshan Autonomous Oblast was assisted as part of support and development of the Education sector in the amount of US\$ 3,204 thousand (8.2%), RRS - US\$ 2,051 thousand (5.2%).

In the aid structure provided to the Education sector in 2013, the share of expenses for materials/goods accounts for 26.3% (US\$ 10,333 thousand), expenses for Civil works and construction amounted US\$ 7,856 thousand (20.0%) (Table 35). The other expenses amounted US\$ 9,148 thousand or 23.3% (Fig. 130). The share of Operating costs is high in Other expenses, which accounts for 86.8%.

Figure 130. Disbursement structure for works, goods and services in the Education sector for 2013

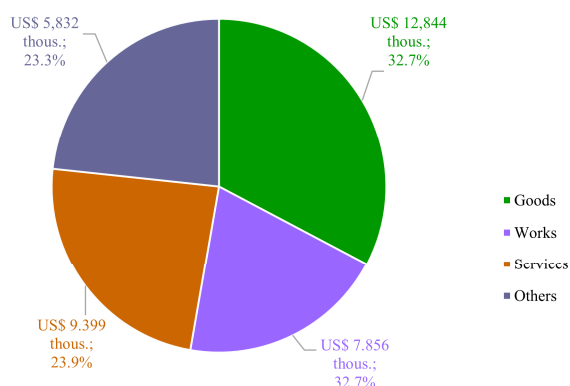


TABLE 36. Allocation of commitments and disbursements in Education sector by expenditure type in 2013 (US\$ thousand)

Expenditure Types	Commitments	% of total	Disbursements	% of total	% of commitments
Total	42,310	100.00%	39,247	100.00%	93%
Civil Works & Construction	6,562	15.51%	7,856	20.02%	120%
Equipment incl. Vehicle,Furniture	3,077	7.27%	2,512	6.40%	82%
Materials/Goods	11,923	28.18%	10,333	26.33%	87%
Training/T.A.: Free Standing	6,407	15.14%	4,994	12.72%	78%
Consultancy: Investment Related	3,101	7.33%	2,926	7.46%	94%
SubLoans/On-Lending					
Project Preparation	1,479	3.49%	1,478	3.77%	100%
Maintenance	254	0.60%	255	0.65%	100%
Operations/Recurrent Cost	8,567	20.25%	7,937	20.22%	93%
LoanService/Interest/Commitment Charge					
Contingency	173	0.41%	164	0.42%	95%
Special Account	80	0.19%	80	0.20%	100%
Direct support to government budget					
Direct support to sectoral budget	386	0.91%	409	1.04%	106%
Unallocated	303	0.72%	303	0.77%	100%

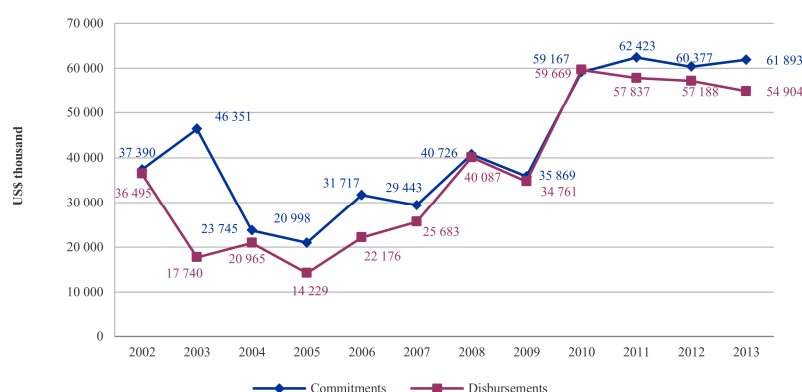
Of 67 projects that were implemented in the Education sector in 2013, 23 projects (34.3%) were carried out in accordance with LSIS for 2013-2015. LSIS Action Matrix provides for implementation of 37 measures in the Education and science development sector, of which 10 measures have been implemented in the reporting years (43.5%). Disbursements on LSIS measures amounted US\$ 2,119 thousand or 30.9% of the total amount of aid to the sector (Table 37).

Analysis of key projects indicators showed that as a result of external aid attraction in the Education sector 9 schools have been constructed/rehabilitated (100% of the planned number), including 302 classrooms (97.7%), 700 textbooks were published (103%), 14,000 school equipment were purchased for a total amount of US\$ 2,900 thousand, 874 workshops and seminars were held and etc., 2,430 teachers received various forms of methodological support from trained mentors under 8 projects. 37 international consultants (100%) were involved to provide project implementation services in the Education sector.

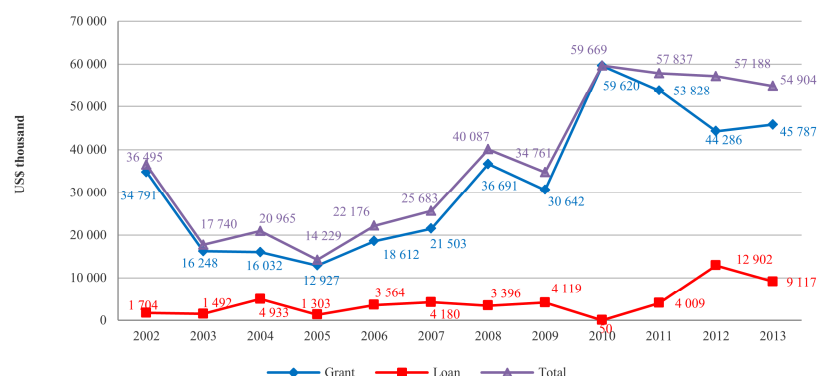
TABLE 37. LSIS measures realized in Education sector in 2013

LSIS Sector/LSIS Measure	Disbursements by LSIS (US dollar thous.)
3.2 Education and science sector development	12.119
3.2.1.4. Develop mechanisms to support development of different types of pre-school education	349
3.2.2.1. Take concrete actions for organizing mechanisms of implementing a national concept of inclusive education for children with special needs for the period of 2012-2015	923
3.2.3.1. Develop and introduce subject standards in general education taking into account transition from an education oriented towards competence	469
3.2.4.3. Design professional development and re-training programs for teachers, who lead vocational training of schoolchildren of Grades 7-9	200
3.2.5.1. Construct and utilize new schools	2.917
3.2.5.3. Construct new buildings and rehabilitate operating buildings in the system of primary and secondary vocational education, strengthen their material and technical basis	4.122
3.2.7.1. Develop and implement an automated statistical data collection mechanism at all stages of education	1.521
3.2.7.2. Develop a unified database in education sector	1.394
3.2.10.2. Expand the activity scope of technology parks from the level of country's institutions of professional higher education to production	150
3.2.10.7. Prepare scientific human resources through education in postgraduate course and institution of doctoral candidacy at the domestic and foreign scientific institutions	74

6.8. HEALTH

Figure 131. Dynamics of external aid in Health sector for 2002-2013


reduce and reached US\$ 54,904 thousand or 88.7% of the total assistance provided for the sector in 2013. The gap between commitments and disbursements is mainly related to incomplete disbursement of funds by such projects as "Food aid for TB patients and their families" (39.9% in 2013), "Construction and equipping of inter-district General Hospital in Dangara district of Khatlon region" (11.4% in 2013), etc.

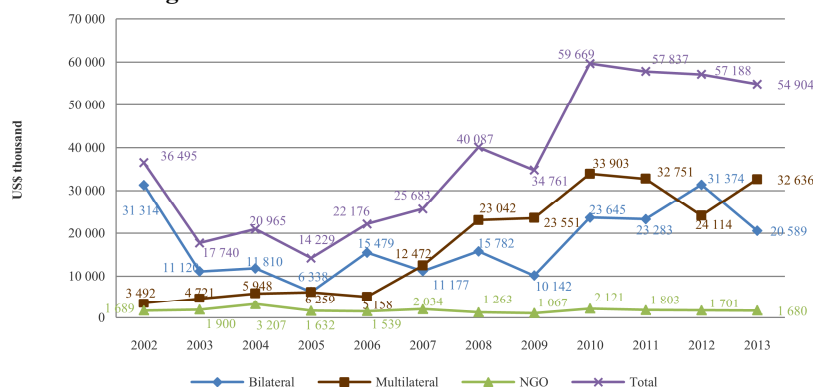
Figure 132. Dynamics of external aid to Health sector by loans and grants for 2002-2013


In 2013, 140 external aid agreements were implemented under 104 projects financed by 35 donors in Health sector. During the reporting year, donors have provided external assistance in the amount of US\$ 54,904 thousand or 11.7% of the total assistance provided to the country.

During 2002-2010, as a whole the aid to Health sector tends to grow (Fig. 131). Over 2010-2013, the volume of commitments remains almost at the same level, and in 2013 amounted to US\$ 61,893, and the amount of disbursements tends to

In the analyzed period, aid in the form of grant, which reached its peak in 2010 in the amount of US\$ 59,620 thousand, decreased in subsequent years and in 2013 amounted to US\$ 45,787 thousand (Fig. 132). External aid in the form of loans after a sharp fall in 2010 to US\$ 50 thousand in subsequent years increased and in 2013 amounted to US\$ 9,117 thousand. A significant excess of aid in the form of grants over the aid in the form of loans needs to be noted. So in 2013, the volume of grants was higher 5 times than the volume of loans.

Figure 133. Dynamics of external aid in Health sector by groups of international organizations for 2002-2013



In 2002-2005, assistance from bilateral organizations tended to decrease (Fig. 133), and in subsequent years, the assistance of bilateral organizations increased and reached its peak in 2012 in the amount of US\$ 31,374 thousand. In 2013, the aid of bilateral organizations decreased and amounted to US\$ 20,589 thousand. Assistance of non-governmental organizations in the reporting period remained practically at the same level, with slight changes ranging from US\$ 1,689 to 3,207 thousand.

Disbursements of bilateral organizations, having significantly fallen in 2003, abruptly raised in 2012 and reached the level of aid in 2002. In 2013, the volume of aid by bilateral agencies decreased by 35% compared to 2012 and amounted to US\$ 20,589 thousand or 37.5% of the total assistance provided to the sector by groups of international organizations.

Over the period of 2010-2013, the aid to the sector decreased by 8%, while the assistance of multilateral organizations decreased by 4%, and of bilateral organizations decreased by 13%. The aid of international non-governmental organizations decreased by 21% for the period under review

In the reporting year, the largest assistance was received from multilateral organizations in the amount of US\$ 32,636 thousand or 59.4% of the total aid received by Health sector in 2013 (Figure 134). Bilateral organizations provided assistance in the amount of US\$ 20,589 thousand, or 37.5%, NGOs - US\$ 1,680 thousand, or 3.1%.

Analysis of the disbursement structure of external funds by the implementing agencies showed (Fig. 135) that the largest amount of aid was disbursed by the development partners - 59.9% of the total assistance provided to the sector during the reporting year. Among development partners, most of the funds were disbursed by multilateral organizations - US\$ 23,890 thousand or 43.5% of the total amount provided to the sector for 2013. The ministries and agencies have implemented projects worth US\$ 16,500 thousand, or 30.1% of the aid to sector.

Investment projects management (implementation) units disbursed US\$ 494 thousand, or 0.9%. Local NGOs disbursed US\$ 984 thousand, which is 1.8%.

Thus, in the 2013 national stakeholders disbursed 31% of aid received by Health sector.

Bilateral organizations directly disbursed 1,370 million (2.5%). Multilateral organizations disbursed a total of 23,890 thousand USD (43.5%). It should be noted that the share of NGOs in funds disbursement is 13.9%, of which 3.1% are NGOs own funds, and 10.8% are from multilateral and bilateral organizations.

Figure 134. The structure of aid to the Health sector by groups of international organizations for 2013

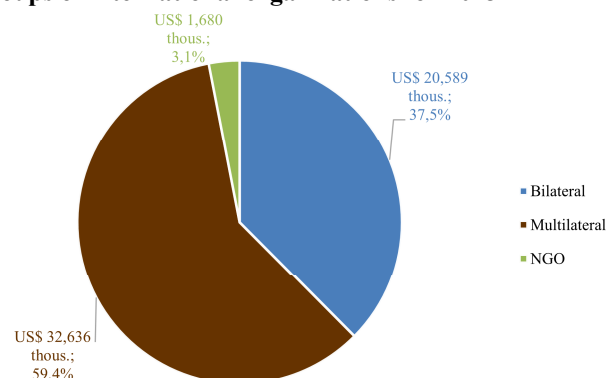
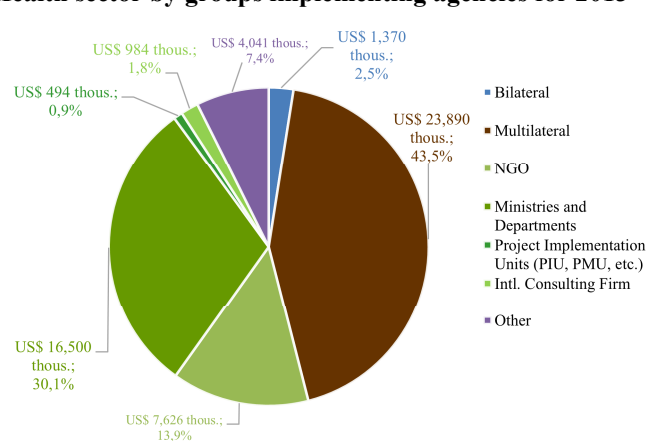


Figure 135. Disbursement structure of foreign aid in Health sector by groups implementing agencies for 2013



During the reporting year, much of the assistance was provided to the Health sector by such multilateral organizations as the Global Fund to Fight AIDS, TB and Malaria in the amount of US\$ 17,425 thousand (31.7%), the OPEC Fund – US\$ 7,664 thousand (14.0%), United Nations Fund for Population - US\$ 1,648 thousand (3.0%), the World Food Program - US\$ 1,573 thousand (2.9%), etc.

Bilateral aid organizations sector for 2013 the German Government provided the amount of US\$ 4,779 thousand, or 8.7%, SCO - US\$ 4,181 thousand (7.6%), USAID - US\$ 3,528 thousand (6.4%), EU – US\$ 2,255 thousand (4.1%), JICA - US\$ 1,683 thousand (3.1%) and etc.

Figure 136. Disbursement chart in Health sector by funding sources for 2013

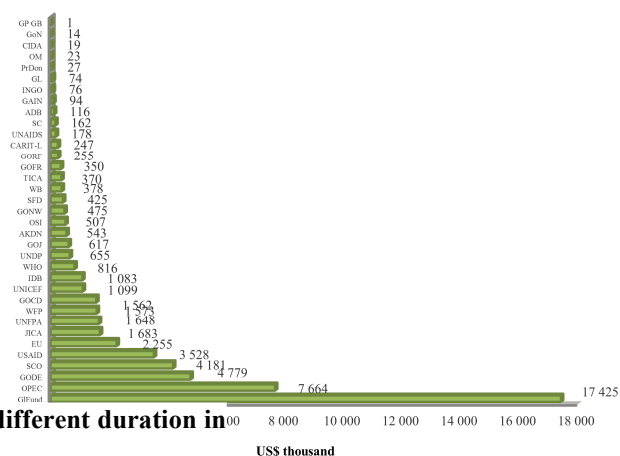
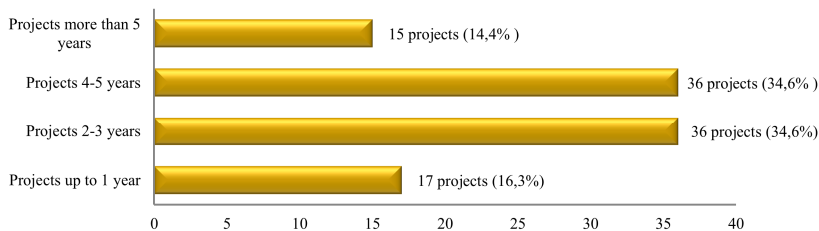


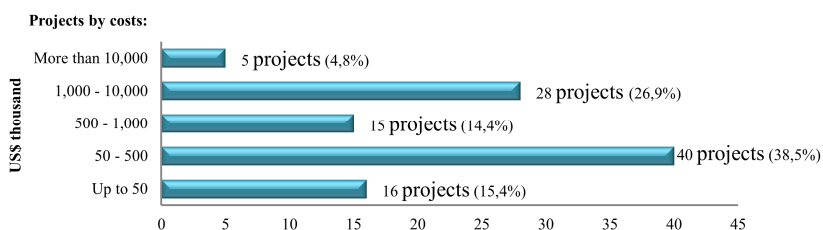
Figure 137. The structure of the number of projects of different duration in Health sector for 2013



104 projects were under implementation in Health sector for 2013 with disbursements for a total amount of US\$ 54,904 thousand. The projects with 2-3 years (34.6%) and 4-5 years (34.6%) duration dominated in the reporting year. It mainly because of the medium and

long-term nature of external aid attraction and use in the sector.

Figure 138. The structure of the projects' number of different value in Health sector for 2013

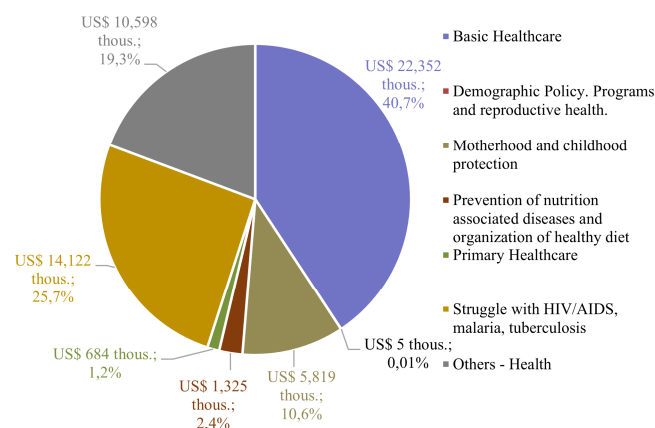


Analysis of the structure of projects number by their cost shows that in the Health sector the largest share is for projects worth US\$ 50 - 500 thousand US dollars - 38.5% of the total number of projects. The share of projects worth US\$ 1,000 – 10,000 thousand is 26.9%. The lowest proportion is of the projects worth more than US\$ 10 million -

4.8%.

Out of 104 projects that were implemented in Health sector in 2013, 27 projects (26.0%) were carried out in "Primary Health Care" sub-sector, 1 project (0.1%) in "Demographic Policy. Programs and reproductive health" subsector, 17 projects (16.3%) in "Maternal and child health" subsector. "6 projects (5.8%) in "Prevention of diseases associated with eating problems and the organization of a healthy diet" subsector, 5 projects (4.8%) in "Primary Health Care" subsector, 18 projects (17.3%) in "Combat HIV/AIDS, malaria and tuberculosis" subsector, 41 projects (39.4%) were referred to "Other - Health" subsector. Due to the fact that some projects are implemented in several subsectors, the arithmetic sum of sub-sector projects exceeds the actual number of projects in the sector.

Figure 139. Disbursement structure by the subsectors of Health sector for 2013



In 2013, of US\$ 54,902 thousand of assistance provided to the Health sector, the largest amount - US\$ 22,352 thousand (40.7%) was used for the development of "Primary health" sub-sector (Fig. 139). The aid for the development of "Maternal and child" subsector was US\$ 5,819 thousand

(10.6%), for support of "Combat HIV/AIDS, malaria, tuberculosis" subsector - US\$ 14,122 thousand (25.7%), etc.

Regionally, the largest amounts of aid have been used at the national level, which amounted to US\$ 32,000 thousand or 58.3% of total aid to Health sector in 2013 (Fig. 140). The assistance provided to Khatlon region was US\$ 14,390 thousand or 26.2%. More than half of the total assistance provided to Khatlon region was used in Dangara district in the amount of US\$ 8,693 thousand (60.4%). This is mainly due to the implementation of "Construction and equipping of interdistrict General Hospital in Dangara district of Khatlon region", which is funded by the Islamic Development Bank and the OPEC Fund, and disbursements under which amounted to US\$ 8,693 thousand. In 2013, 26 districts of Khatlon region received external aid for the development of Health sector.

In the reporting year, Dushanbe city received assistance for development of Health sector in the amount of US\$ 1,413 thousand (2.6%) as a result of the implementation of 19 projects with external aid, including "Establishment of the Children's Cancer Center" project (US\$ 316 thousand), "Provision of food aid for TB patients and their families" (US\$ 126 thousand), "Treatment and prevention of poliomyelitis" (US\$ 291 thousand), etc.

Gorno-Badakhshan Autonomous Oblast was assisted by support and development of the Health sector in the amount of US\$ 4,566 thousand (8.3%).

In Sughd region in the reporting year received assistance in the development of the Health sector for a total amount of US\$ 1,231 thousand (2.2%) as a result of implementation of 10 external aid projects. The largest disbursements were made in J. Rasulov district under "TB IV combat programs» (Government of the Federal Republic of Germany) in the amount of US\$ 437 thousand (35.5%). In 2013, external aid projects were implemented in 12 districts of Sughd region.

RRS received external assistance in the amount of US\$ 1,305 thousand or 2.4% of the total assistance provided by sector for 2013.

In the structure of assistance provided to Health sector in 2013 (Table 38), the share of costs for materials/goods is 45.2% (24,801 thousand dollars), expenditures on civil works and construction totaled US\$ 6,750 thousand (12.3%). The scope of services amounted to US\$ 17,019 thousand (31.0%) (Fig. 141). Other expenses amounted US\$ 6,335, or 11.5%. The share of Operating costs is high in Other costs, which accounts for 83.8%.

Figure 140. Disbursement structure for Health sector in the regions for 2013

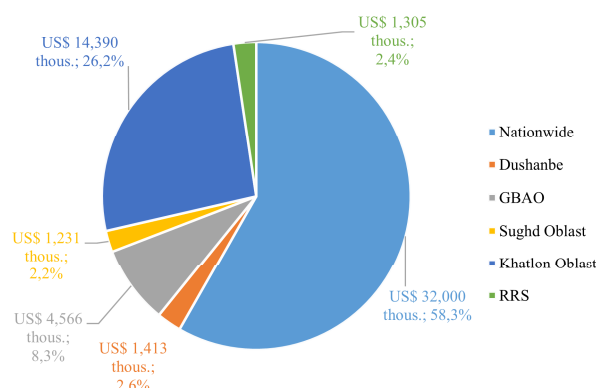


Figure 141. Disbursement structure for works, goods and services in Health sector for 2013

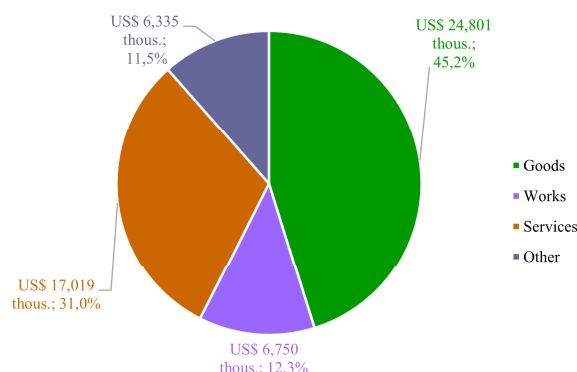


TABLE 38. Allocation of commitments and disbursements in Health sector by expenditure type in 2013 (US\$ thousand)

Expenditure Types	Commitments	% from total	Disbursements	% from total	% from commitments
Total	61,893	100.00%	54,904	100.00%	88.7%
Civil Works & Construction	7,329	11.84%	6,750	12.29%	92.1%
Equipment incl. Vehicle, Furniture	14,227	22.99%	13,213	24.07%	92.9%
Materials/Goods	13,503	21.82%	11,588	21.11%	85.8%
Training/T.A.: Free Standing	12,574	20.31%	10,612	19.33%	84.4%
Consultancy: Investment Related	5,899	9.53%	5,584	10.17%	94.7%
SubLoans/On-Lending					
Project Preparation	854	1.38%	822	1.50%	96.2%
Maintenance	348	0.56%	245	0.45%	70.4%
Operations/Recurrent Cost	6,424	10.38%	5,311	9.67%	82.7%
LoanService/Interest/Commitment Charge					
Contingency	60	0.10%	96	0.18%	159.4%
Special Account	29	0.05%	21	0.04%	71.7%
Direct support to government budget	48	0.08%	48	0.09%	100.0%
Direct support to sectoral budget	418	0.68%	435	0.79%	104.1%
Unallocated	179	0.29%	178	0.33%	99.5%

Out of 104 projects that were implemented in Health sector for 2013, 25 projects (24.0%) were carried out in accordance with LSIS for 2013-2015. LSIS Action Matrix provides for implementation of 21 measures in LSIS sector "Development of health and ensuring health care among the population", of which 10 measures (47.6%) have been implemented in the reporting year. Disbursements on LSIS measures amounted US\$ 10,633 thousand or 19.4% of the total amount of aid to the sector.

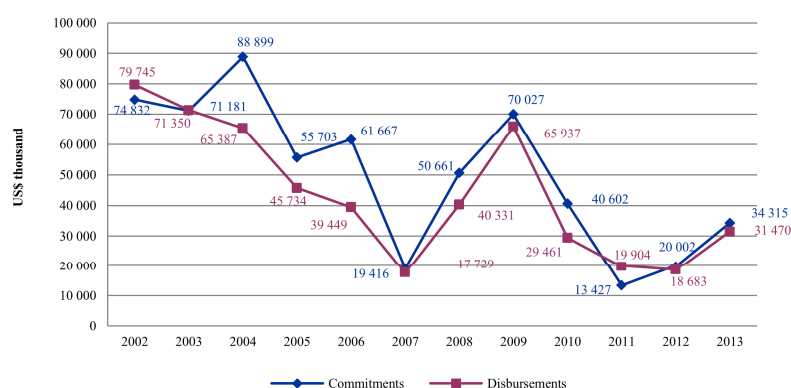
TABLE 39. LSIS measures realized in Health sector in 2013

LSIS Sector / PRS Measure	Disbursement by LSIS (USD)
3.3 Health development and ensure improved population's health	10,632,635
3.3.1.4. Eliminate inequalities in regions through collecting health care funds at the province / national level	95,418
3.3.2.1. Enhance professional specialization of health care workers and improve material, technical and drug provision to first medical-sanitary aid institutions which is necessary to render services for safety of maternity	5,508,273
3.3.2.2. Develop and implement documents concerning safety of maternity and obstetric assistance at all levels of rendering medical services	566,258
3.3.2.3. Hold information and awareness raising campaigns among responsible health care workers and population about the issues of maternity safety, midwifery and neonatal assistance	6,356
3.3.2.5. Develop and implement coordinated standards, documents and means of assessing the quality of rendering services on family regulation issue	300,000
3.3.3.1. Prepare more physicians and secondary health care workers in medical institutions of cities and districts	763,735
3.3.4.1. Increase population's awareness level about prevention of infectious diseases, particularly helminthiasis and infections managed through vaccinations	660,336
3.3.4.2. Improve epidemiologic control system of diseases managed through vaccination, helminthiasis and other infectious diseases	1,679,357
3.3.4.3. Improve the condition of centers concerned with advocacy and implementation of healthy lifestyle promotion program	746,144
3.3.6.1. Introduce relevant changes and amendments to effective legislation	306,758

Analysis of key projects indicators showed that as a result of external aid to Health sector, the following was accomplished: 19 health centers were built in the regions (86.4% of the planned amount), 2 medical educational institutions (100%), 1 laboratory (100%), 1 health facility repaired (100%), 651 units of medical equipment were provided to health centers in villages and urban areas (100%). 136 training (100%) were held for population to fight HIV/AIDS, malaria, tuberculosis and other infectious diseases and 246 trainings for diabetes. 18,406 handbooks (100%) published on health, maternity, sanitary education and healthy eating.

6.9. SOCIAL WELFARE AND LABOR

Figure 142. Dynamics of external aid to Social Welfare and Labor sector for 2002-2013



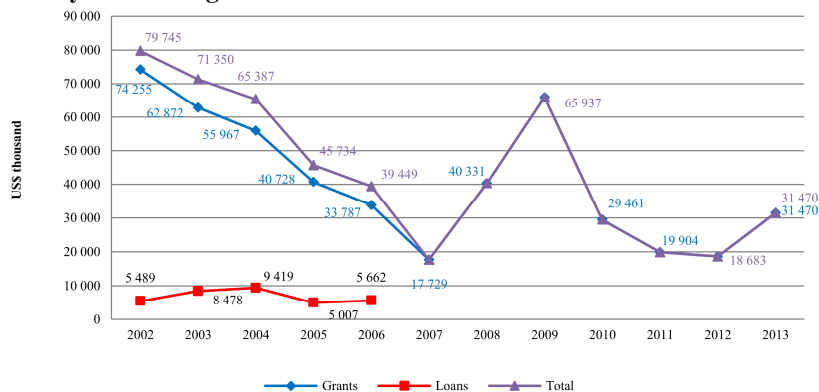
In 2013, a total of 99 external aid agreements were implemented in Social Welfare and Labor under 79 projects financed by 26 donors. During the reporting year, the external aid provided by donors to Social security and employment sector amounted US\$ 31,470 thousand or 6.7% of the total assistance provided to the country.

In general, external aid to Social Welfare and Labor tended to decrease over the period of 2002-2013 (Fig. 142). In 2002 and 2007 and 2009 to 2011 a sharp decline and

in 2008 – 2009 and 2012 – 2013 a sharp increase in annual external aid is observed.

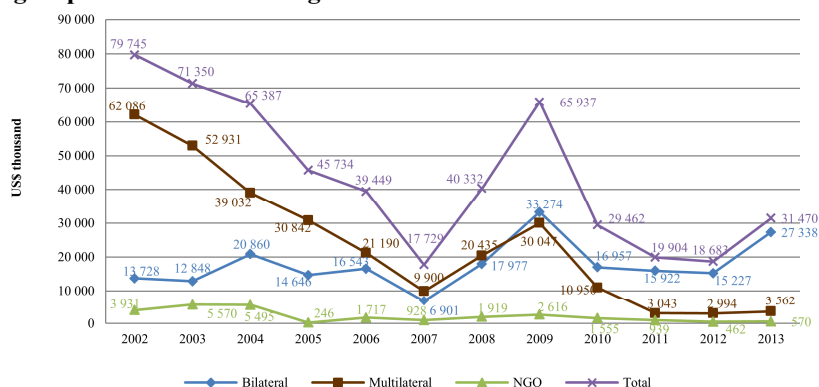
Factor contributing to the annual aid decrease to the sector, is reduction of the grant component of the external aid (Fig. 143). From 2002 to 2007, the grants decreased from US\$ 74,255 thousand to US\$ 17,729 thousand. External aid in the form of loans was less involved to the Social security and employment sector from 2002 to 2006 and ranged US\$ 5,489 – 9,419 thousand.

Figure 143. Dynamics of external aid to the Social Welfare and Labor sector by loans and grants for 2002-2013



The grant aid was exclusively attracted since 2007. In 2008-2009, the amount of aid in the form of grants has increased significantly as a result of “Long-term operation on relief and reconstruction” project, which was implemented by the World Food Program. The growth of this indicator in 2013 is again observed following a significant decrease in disbursements for grants in 2010-2012.

Figure 144. Dynamics of external aid to Social Welfare and Labor sector by groups of international organizations for 2002-2013



As a whole, the aid of bilateral international organizations tends to grow, and of multilateral international organizations tends to decrease (Fig. 144). International NGOs have a tendency to reduce the aid to the sector.

From 2002 to 2008, the aid of multilateral organizations prevailed that of the bilateral organizations, and the subsequent years have seen the prevalence of bilateral organizations' aid.

In 2013, the support of all three

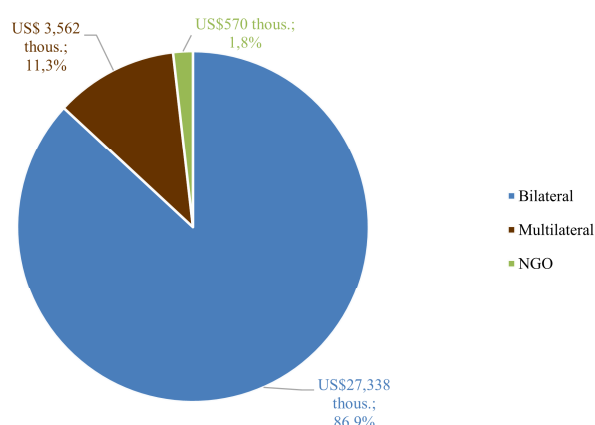
groups of international organizations has increased in comparison with 2012.

Over the past five years assistance to the sector has reduced for more than 2 times, while the aid of bilateral organizations decreased by 18%, and multilateral organizations have declined by more than 8 times. Assistance from international non-governmental organizations in the past five years has decreased by almost 5 times.

During the reporting year, the Social Welfare and Labor sector received significant aid from bilateral organizations in the amount of US\$ 27,338 thousand or 86.9% of the total aid received by the sector in 2013 (Fig. 145). Multilateral organizations provided assistance in the amount of US\$ 3,562 thousand, or 11.3%, NGOs - US\$ 570 thousand, or 1.8%.

Analysis of the disbursement structure of external funds by the implementing agencies showed that the largest amount of aid was disbursed by the ministries and departments - 72.4% of the total assistance provided to the sector for the reporting year (Fig. 146). Among development partners, most of the funds were disbursed by international NGOs - US\$ 3,760 thousand or 11.9% of the total amount provided by the sector for 2013.

Figure 145. The aid structure in the Social Welfare and Labor sector by groups of international organizations in 2013



Local NGOs disbursed US\$ 1,012 thousand, which is 3.2%, local authorities disbursed the amount of 11 thousand or 0.4% of aid to the sector.

Thus, national stakeholders disbursed most of the aid received by Social security and employment sector - 76% of total aid to the sector in the 2013. At the same time, the disbursements via the ministries and local authorities tend to grow.

Bilateral organizations directly disbursed US\$ 354 thousand (1.1%). Multilateral organizations disbursed US\$ 2,292 thousand (7.3%). It should be noted that the share of NGOs in funds disbursement accounts for 11.9%, of which 1.8% are the funds of NGOs themselves, and 10.1% are from multilateral and bilateral organizations.

Over the reporting year, a significant portion of aid to Social Welfare and Labor sector was provided by the European Union in the amount of US\$ 24,674 thousand or 78.4% of annual disbursements made in the sector (Fig. 147). The following are active bilateral organizations in the sector: the Swiss Cooperation Office/Consulate in Tajikistan - US\$ 1,116 thousand (3.5%), Japan International Cooperation Agency - US\$ 710 thousand (2, 3%), etc.

The following multilateral organizations provided assistance to the sector in 2013: World Bank in the amount of US\$ 1,033 thousand, or 3.3%, UNICEF - US\$ 964 thousand (3.1%), the World Food Program - US\$ 767 thousand (2.4%), etc.

A total of 79 projects were implemented in Social Welfare and Labor sector in 2013, with

Figure 146. Disbursement structure of aid in Social Welfare and Labor sector by implementing agencies for 2013

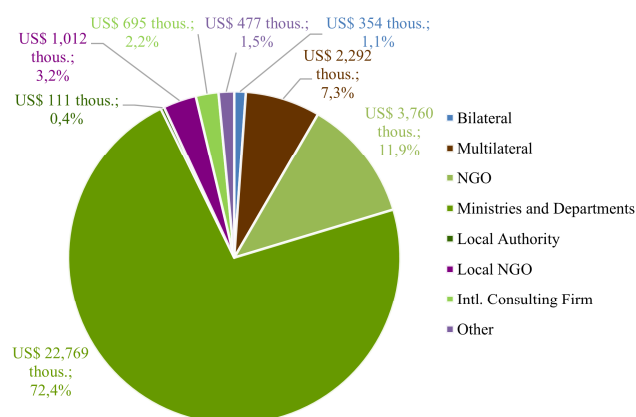


Figure 147. Disbursements chart in Social Welfare and Labor sector by funding sources in 2013

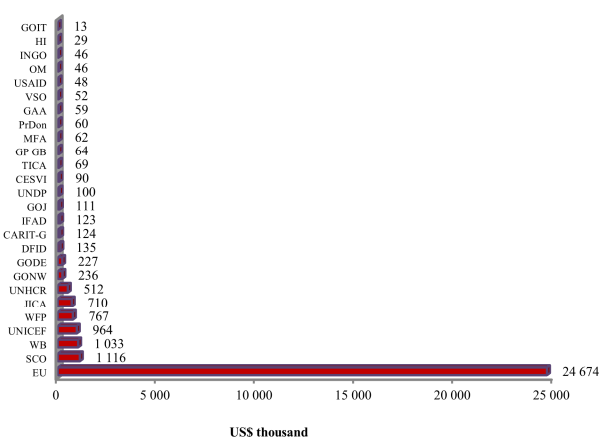


Figure 148. The structure of the projects number of different duration in Social Welfare and Labor sector in 2013

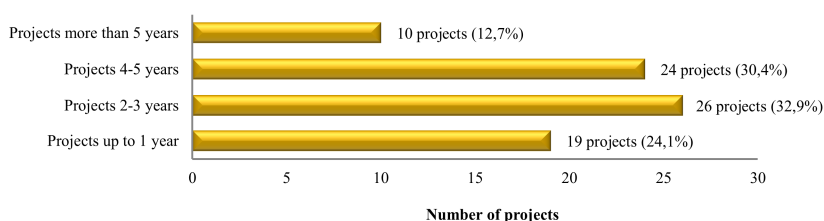
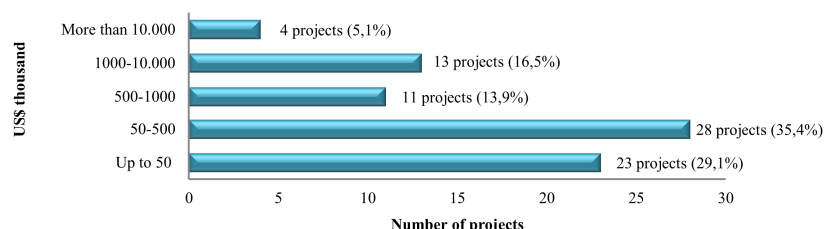


Figure 149. The structure of the projects number of different value in Social Welfare and Labor sector for 2013



lowest proportion is of projects worth more than 10 million US - 5.1%

disbursements amounting US\$ 31,470 thousand (Fig. 148). The implementation of projects with 2-3 years (32.9%) and 4-5 years duration (30.4%) prevailed in the reporting period, which demonstrates mainly medium and long-term nature of attraction and use of external aid in the sector. The Projects over 5 years account for 12.7% of the total number of projects in the sector.

Analysis of the structure of the projects number by their value shows that the largest share in the Social Welfare and Labor sector have projects ranging from US\$ 50 to 500 thousand - 35.4% of the total number of projects (Figure 149). The share of projects costing up to 50 thousand dollars is 29.1%. The

Out of 79 projects that have been implemented in Social security and employment sector in 2013, 10 projects (12.7%) were carried out in "Employment and Training" sub-sector, 7 projects (8.9%) - in "Migration" subsector, 4 project (5.1%) in "Strengthening social security and pension payments" subsector (Fig. 150), 19 projects (24.1%) in "Improving governance of social protection" subsector, 42 projects (53.2%) were classified to "Other - Social Welfare and Labor" subsector. Due to the fact that some projects are implemented in several subsectors, the arithmetic sum of sub-sector projects exceeds the actual number of projects in the sector.

In 2013, of US\$ 31,470 thousand assistance provided to the Social Welfare and Labor sector, US\$ 13,915 thousand (44.2%) were used for the development of "Improving social protection management" sub-sectors. Assistance for the development of "Strengthening social security and pension payments" subsector amounted to US\$ 12,588 thousand (40.0%), for support of "employment and training" sub-sector - US\$ 799 thousand (2.5%).

Regionally, the largest amounts of aid have been used at the national level, which amounted to US\$ 25,688 thousand or 81.6% of the total assistance provided to the Social Welfare and Labor sector for 2013 (Fig. 151). This is mainly associated with the implementation of "Support social safety net, budget support" project (US\$ 9,286 thousand), "Social Sector Protection Support Program in Tajikistan" (US\$ 8,905 thousand), which are financed by the European Union. In 2013, a total of 33 external aid projects were implemented in Social security and employment sector and at the national level.

In the reporting year, Dushanbe city received aid for the development of Social security and employment sector in the amount of US\$ 626 thousand (2.0%) as a result of implementation of 23 external assistance projects, including the following projects: "Gender and democratic governance - provision of basic services to women" (US\$ 157 thousand), "Reintegration of homeless people in Dushanbe" (US\$ 29 thousand), Guidance of local government institutions in the arrangement of certified courses of further education on social work (US\$ 33 thousand), etc.

Gorno-Badakhshan Autonomous Oblast received aid for the support and development of Social security and employment in the amount of US\$ 1,270 thousand (4.0%).

In the reporting year, Sughd region received aid for the development of Social security and employment sector in the amount of US\$ 822 thousand (2.6%) as a result of implementation of 19 external aid projects. The largest disbursements were made at the regional level in the framework of "Long-term operation of relief and recovery of PRRO 200122" project in the amount of US\$ 169 thousand and "Gender and democratic governance - the provision of basic services to women" project in the amount of US\$ 51 thousand. In 2013, the external aid projects were implemented in 12 districts of Sughd region.

The Regions of Republican Subordination received external aid in the amount of US\$ 1,258 thousand, or 4.0% of the total assistance provided by sector for 2013.

In the structure of assistance provided to the Social Welfare and Labor sector in 2013, the share of expenses for materials/goods is 5.70% (US\$ 1,792 thousand), expenses on civil works and construction totaled US\$ 9,243 thousand (29.37%) (Fig. 152). The share of Service provision is US\$ 8,052 thousand (25.59%). Other expenses amount US\$ 12,383 thousand, or 39.35%. The share of Operating

Figure 150. Disbursement structure by the sub-sectors of Social Welfare and Labor sector for 2013

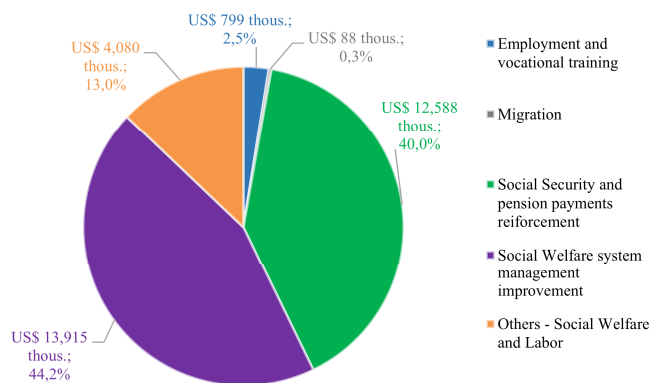


Figure 151. Disbursement structure by Social Welfare and Labor sector in the regions for 2013

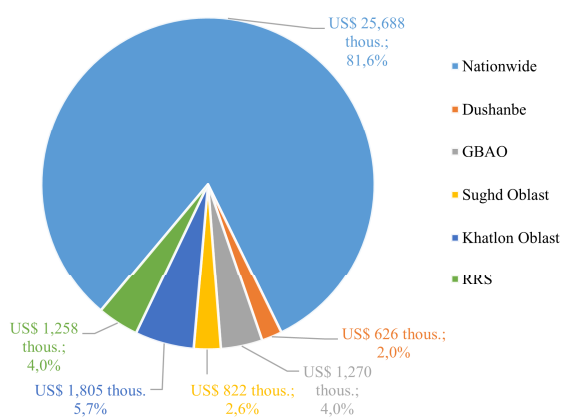
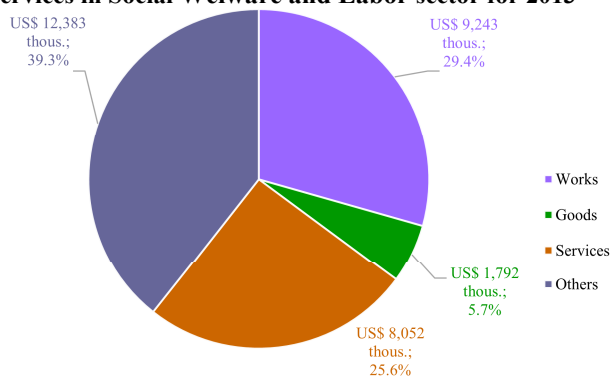


Figure 152. Disbursement structure for works, goods and services in Social Welfare and Labor sector for 2013



expenditures is high in Other expenses, which is 93.0% (Table 40).

TABLE 40. Allocation of commitments and disbursements in Social Welfare and Employment sector by expenditure type in 2013 (US\$ thousand)

Expenditure Types	Commitments	% from total	Disbursements	% from total	% from commitments
Total	34,315	100.00%	31,470	100.00%	91.7%
Civil Works & Construction	9,243	26.94%	9,243	29.37%	100.0%
Equipment incl. Vehicle,Furniture	417	1.21%	430	1.37%	103.3%
Materials/Goods	2,234	6.51%	1,362	4.33%	61.0%
Training/T.A.: Free Standing	2,542	7.41%	1,841	5.85%	72.4%
Consultancy: Investment Related	5,932	17.29%	4,908	15.60%	82.7%
SubLoans/On-Lending					
Project Preparation	1,251	3.65%	1,304	4.14%	104.2%
Maintenance	223	0.65%	118	0.38%	53.1%
Operations/Recurrent Cost	11,714	34.14%	11,517	36.60%	98.3%
LoanService/Interest/Commitment Charge	19	0.06%	19	0.06%	100.0%
Contingency	6	0.02%	11	0.04%	201.7%
Special Account	500	1.46%	500	1.59%	100.0%
Direct support to government budget					
Direct support to sectoral budget	234	0.68%	217	0.69%	92.8%

Out of 79 projects that were implemented in Social Welfare and Labor sector in 2013, 9 projects (11.4%) were carried out in accordance with LSIS for 2013-2015. LSIS Action Matrix provides for implementation of 44 measures in LSIS sector "Strengthening social protection and provision of employment", of which 7 measures were implemented in the reporting year (15.9%) (Table 41). Disbursements on LSIS measures amounted US\$ 1,569 thousand or 5.0% of the total amount of aid to the sector.

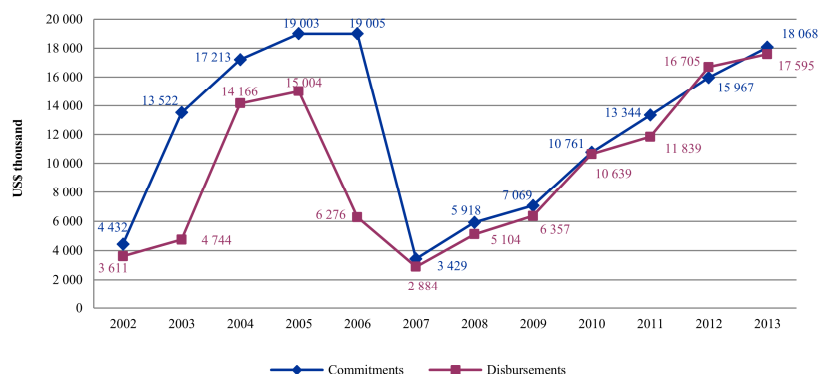
TABLE 41 LSIS measures realized in Social Welfare and Employment sector in 2013

LSIS Sector / PRS Measure	Disbursement by LSIS (USD)
3.1 Strengthen social protection and provide population employment	1,569,178
3.1.1.3. Take actions in the sphere of implementing a single intersectoral information exchange among population employment, migration, social insurance and pension authorities	565,708
3.1.1.4. Continue activities in the sphere of introducing new mechanisms of social aid	40,680
3.1.2.6. Take measures aimed at strengthening material and technical, programmatic as well as human resources bases of ministry's professional development system with a view to adapt professional, legal and language skills of those unemployed and labor migrants i	112,000
3.1.2.8. Organize professional development courses for employees of labor, employment, migration, social protection and social services, adult learning sectors	100,000
3.1.2.10. Increase the level of employment through widening the scope of rendering services in the labor market	511,918
3.1.2.19. Strengthen information and awareness-raising campaigns inside the country amongst returned Labor migrants, attract citizens into vocational education as much as possible and collectively sent them to temporary employment, train language and labor migrate	132,583
3.1.4.1. Take measures aimed at developing social institutions' network in the local communities, including day-care social services for children with limited abilities, invalids, single people and adults	106,289

Analysis of key projects indicators showed that by attracting external aid to Social Welfare and Labor sector 15 centers for social rehabilitation were built (93.3% of the planned amount), 65 centers established that provide social services (103.2%), 2 social protection facilities rehabilitated and reconstructed (8.0%). As part of three external aid projects social assistance was provided in the amount of US\$ 48,050 thousand (110.3%). As part of projects in the sector 443 social workers has retraining (100.2%). 53 training seminars (139.5%) were held for employees of local authorities to regulate the labor market and employment in the regions.

6.10. PRIVATE SECTOR AND INDUSTRY

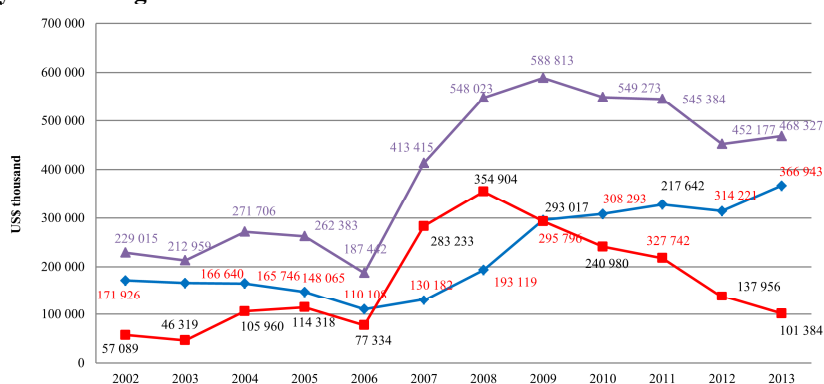
Figure 153. Dynamics of external aid in the Private Sector and Industry over 2002-2013



In 2002-2007, the aid to private sector reached its peak in 2005 in the amount of US\$ 15,004 thousand and in subsequent years declined. In 2007 the volume of aid has reached US\$ 2,884 thousand. Since 2008, the aid to the Private sector and industry is on raise.

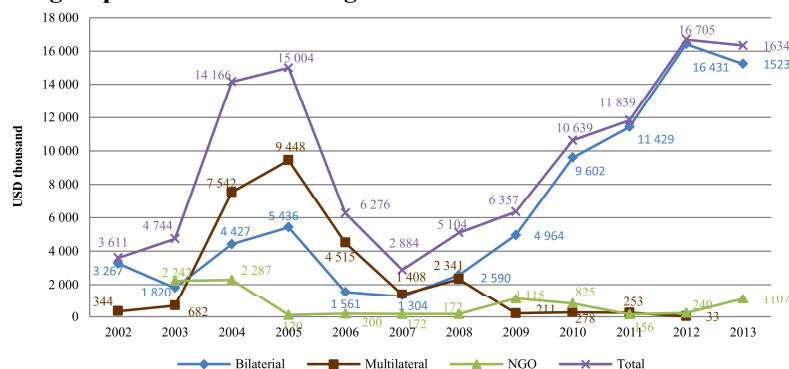
In 2013, 51 external aid agreements were implemented in Private Sector and Industry under 36 projects financed by 19 donors. During the reporting year, donors have provided external assistance in the amount of US\$ 17,595 thousand or 3.8% of the total assistance provided to the country (Fig.153).

Figure 154. Dynamics of external aid in the Private Sector and Industry by loans and grants for 2002-2013



The amount of aid in the form of loans was provided to the sector over the period of 2002-2008. Growth was observed until 2005 when the credit assistance amounted US\$ 9,384 thousand. As of 2008, the assistance in the form of loans is steadily declining. In 2008 it amounted to US\$ 2,200 thousand. Since 2009, the aid to the Private Sector and Industry is provided exclusively in the form of grants, the amounts of which are increasing annually and in 2013 amounted to US\$ 17,595 thousand (Fig. 154).

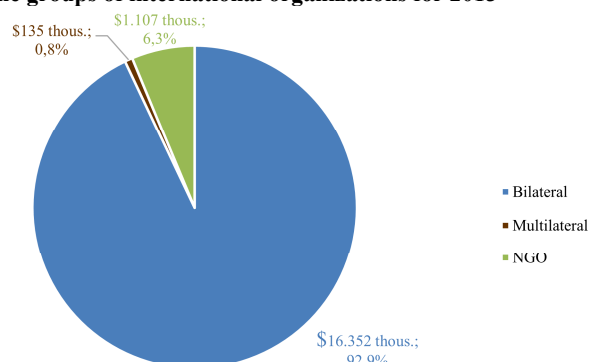
Figure 155. Dynamics of external aid to the Private Sector and Industry by the groups of international organizations for 2002-2013



155) in 2013.

In the reporting year, the Private Sector and Industry received the largest amount of aid from bilateral organizations in the amount 16,352 US\$ thousand or 92.9% of the total aid received by the sector in 2013 (Fig. 4). Multilateral organizations provided assistance in the amount of US\$ 135 thousand, or 0.8%, NGOs – US\$ 1,107 thousand or 6.3% (Fig.156).

Figure 156. The aid structure to the Private Sector and Industry by the groups of international organizations for 2013



Analysis of the disbursement structure of external funds by the implementing agencies shows that the largest amount of aid was disbursed by bilateral international organizations in the amount US\$ 11,624 thousand or 66.1% (Fig. 157).

Multilateral organizations disbursed US\$ 2,375 thousand, or 13.5%. At the same time, US\$ 135 thousand (0.8%) are the funds of multilateral organizations, and US\$ 2,240 thousand (12.7%) – the funds of bilateral organizations.

International NGOs disbursed US\$ 1,466 thousand, or 8.3%, of which 6.3% are the NGOs own funds, and 2.0% are the funds bilateral organizations.

The ministries and departments disbursed US\$ 952 thousand, or 5.4%. The project implementation (management) units disbursed US\$ 135 thousand or 0.8%, local NGOs disbursed US\$ 125 thousand, which accounts for 0.7%.

Figure 157. The disbursement structure of aid by implementing agencies in the Private Sector and Industry for 2013

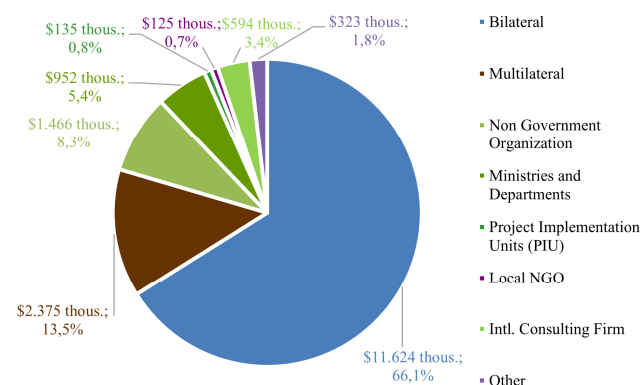
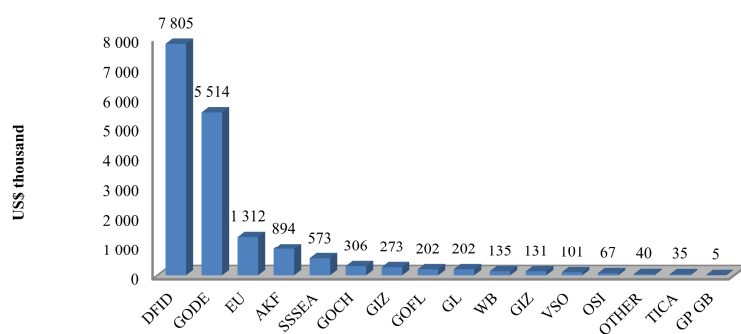


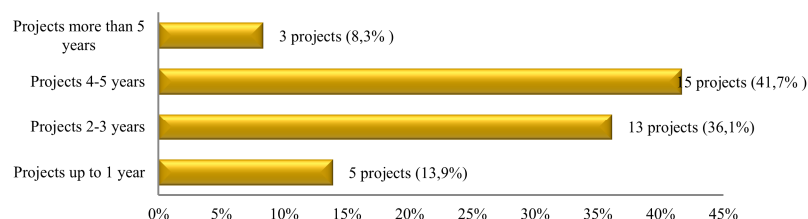
Figure 158. Disbursements chart in the Private Sector and Industry by funding sources for 2013



During the reporting year, significant assistance to the Private Sector and Industry was provided by such bilateral organizations as the Department for International Development of the UK in the amount of US\$ 7,805 thousand or 44.4% of total aid for the sector in 2013, the Government of Germany - US\$ 5,514 thousand (31.3%), the European Union - US\$ 1,312 thousand (7.5%) and etc. Of multilateral organizations, the assistance was provided by the World Bank in the amount of US\$ 135 thousand (0.8%). Of non-governmental international

organizations significant assistance was provided by the Aga Khan Foundation in the amount of US\$ 894 thousand (5.1%) and etc. (Fig. 158).

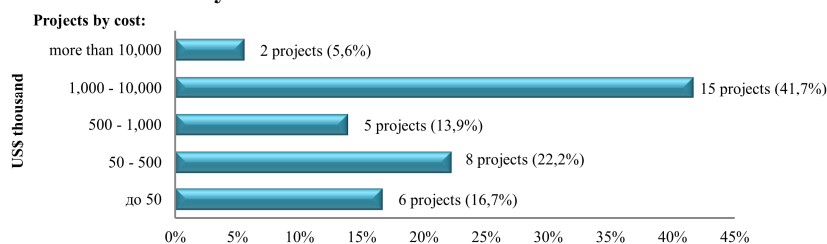
Figure 159. Structure of the projects number by their duration in the Private Sector and Industry for 2013



In the Private Sector and Industry, the largest proportion accounts for the projects with a duration of 4-5 years (41.7%) and projects with a duration of 2-3 years (36.1%).

In the projects structure the largest share accounts for the projects worth of 1,000-10,000 thousand of US dollars (41.7%)

Figure 160. The structure of the projects number by cost in Private Sector and Industry for 2013



Thus, implementation projects of 4-5 years and 2-3 years duration prevailed in the Private Sector and Industry in 2013. It mainly indicates the long-term and medium-term nature of the attraction and use of external aid in the sector. The presence of small projects worth of up to US\$ 50 thousand (16.7%) and up to 1 year (13.9%) should also be noted, which indicates the fragmentation of external aid to the

private sector and industry.

Out of 36 projects that were implemented in the Private Sector and Industry in 2013, 20 projects (55.6%) were carried out in "Support and development of the private sector" sub-sector, 7 projects (19.4%) in "Improving the investment climate and development services and business support" subsector. In "Finance and Banking" sub-sector 3 projects were carried out (8.3%), 2 projects were realized both in "Micro financing" and "Tourism Development" subsectors (5.6%), 1 project in "Industrial development" sub-sector (2,8%). 6 projects (16.7%), which were not included in the above sub-sectors are referred to the "Other" sub-sector. Due to the fact that some projects are implemented in several subsectors, the arithmetic sum of sub-sector projects exceeds the actual number of projects in the sector.

In 2013, out of US\$ 17,595 thousand assistance provided to the Private Sector and Industry, the largest amount of US\$ 13,682 thousand (77.8%) was used for the support and development of Private sector (Fig.161). Assistance to improve the investment climate and development services and business support amounted US\$ 1,792 thousand (10.2%), and for the development and support of Finance and banks - US\$ 1,475 thousand (8.4%). Inadequate support is observed in such subsectors of the Private sector as Tourism Development - US\$ 18 thousand (0.1%), Development of the industry - US\$ 35 thousand (0.2%) and Microfinance - US\$ 67 thousand (0.4%).

Regionally, the largest amounts of aid have been used at the national level, which amounted to US\$ 15,691 thousand or 89.2% of total aid to the Private sector and industry (Fig.162). About 69% of these funds have been utilized under "Private Sector Development Program in Tajikistan" (Government of Germany, IDA WB), with total disbursements amounting to US\$ 10,791 thousand in 2013. Totally, 23 external aid projects for total cost of US\$ 98,424 thousand were implemented at the national level in 2013.

In the reporting year, the RRS have received assistance to support the Private Sector and Industry in the amount of US\$ 646 thousand (3.7%) as a result of 3 external aid projects implementation. The largest disbursement in the amount of US\$ 390 thousand (44.9%) was made under the "Improving the revenues of people living in rural areas by creating the savings groups" project (AKF). In 2013, external aid projects on Private sector and industry were implemented in 5 RRS.

In the analyzed year, Sughd region has received assistance for the development of Private Sector and Industry in the amount of US\$ 534 thousand (3.0%) as a result of implementation of 6 external aid projects. The largest disbursements were made at the regional level under the "Support to trade in Central Asia: Support economic development along trade corridors (Part II)" project (Government of Finland, the Government of Luxembourg) in the amount of US\$ 202 thousand (37.8%). In 2013, the external aid projects on Private sector and industry were implemented in Ayni district, Isfara, Panakent and Khujand towns of Sughd region.

In 2013, GBAO received assistance for Private Sector and Industry development in the amount of US\$ 345 thousand (2.0%) as a result of implementation of 6 external aid projects. The largest disbursement in the amount of US\$ 127 thousand (36.6%) was made in Khorog town as part of "Development of cross-border trade between Tajikistan and Afghanistan" (VSO) project, «Analysis of the impact and cross-border economic opportunities between Tajikistan and Afghanistan" (GIZ) and "Project for the production of dried fruits in GBAO" (Government of Germany). In 2013, the external aid projects on Private Sector and Industry development were implemented in 6 districts of GBAO.

Figure 161. The structure of assistance by the subsectors of Private Sector and Industry for 2013

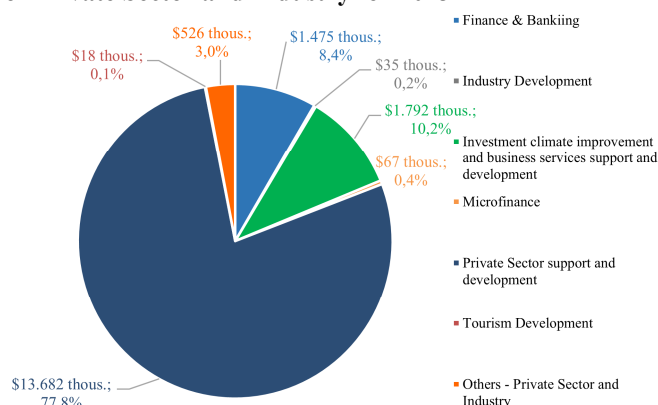
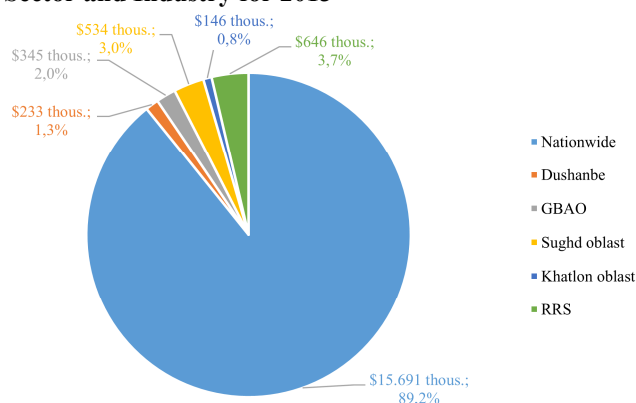


Figure 162. The aid structure aid by regions in Private Sector and Industry for 2013



Dushanbe received assistance for support and development of Private Sector and Industry in the amount of US\$ 233 thousand (1.3%), Khatlon region -146 thousand dollars (0.8%).

The share of Other expenses is high in the aid structure under expenditures category, which account for 99.3% of the share of Operating expenses.

In the structure of assistance provided to the Private Sector and Industry in 2013, the share of expenses for materials/goods is 2.8% (US\$ 494 thousand), expenses on civil works and construction totaled US\$ 173 thousand (1.0%) (Fig. 163). The share of Service provision is US\$ 2,598 thousand (14.8%). Other expenses amount US\$ 14,330 thousand, or 81.4%. The share of Operating expenditures is high in Other expenses, which is 99.3% (Table 42).

Figure 163. The aid structure under expenditures categories in Private Sector and Industry for 2013

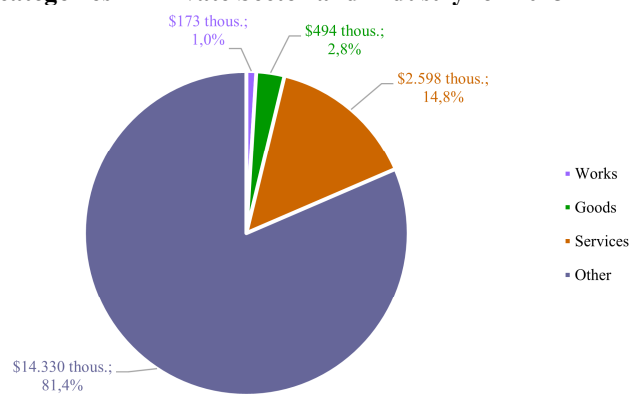


TABLE 42. Allocation of commitments and disbursements in Private Sector and Industry by expenditure type in 2013 (US\$ thousand)

Expenditure Types	Commitments	% from total	Disbursements	% from total	% from commitments
Total	18 068	100.00%	17 595	100.00%	97,4%
Civil Works & Construction	193	1,1%	173	1,0%	89,6%
Equipment incl. Vehicle,Furniture	498	2,8%	404	2,3%	81,1%
Materials/Goods	126	0,7%	90	0,5%	71,4%
Training/T.A.: Free Standing	340	1,9%	362	2,1%	106,5%
Consultancy: Investment Related	2 137	11,8%	2 055	11,7%	96,2%
SubLoans/On-Lending					
Project Preparation	242	1,3%	181	1,0%	74,8%
Maintenance	107	0,6%	104	0,6%	97,2%
Operations/Recurrent Cost	14 398	79,7%	14 224	80,8%	98,8%
LoanService/Interest/Commitment Charge					
Contingency	27	0,1%	2	0,01%	7,4%

Out of 21 measures provided in the LSIS for 2013-2015 Action Matrix for the Private sector, 6 measures (28.6%) have been implemented in the reporting year in the sector. As part of these 6 LSIS measures 9 projects (25.0%) were implemented. Assistance under LSIS for 2013-2015 for 2013 amounted to US\$ 942 thousand or 5.4% of total aid for the sector in 2013.

TABLE 43. LSIS measures realized in Private Sector and Industry in 2013

LSIS Sector / PRS Measure	Disbursement by LSIS (USD)
1.3 Ensure improved investment climate, private sector and entrepreneurship development	941 985
1.3.3.1. Assess the effectiveness of introducing the external aid management database system	102 741
1.3.3.2. Improve the external aid management database	78 408
1.3.4.1. Organize and hold forums, seminars, conferences and other governmental and non-governmental international events in the country and abroad	507 662
1.3.5.1. Take actions for securing financial sources aimed at investing into the private sector	100 389
1.3.13.5. Simplify customs formalities	17 555
1.3.14.1. Develop the Law of the Republic of Tajikistan "About investment" and other normative legal documents on investment in a new revision	135 230

Analysis of key projects indicators showed that as a result of attraction of external aid to the Private Sector and Industry the following was accomplished: 35 regulations were adopted on the improvement of the investment climate, private sector development and entrepreneurship (87.5%), 8 jobs created in small and medium-sized enterprises (53.3%), one business center for business support established (50.0%), 1691 people trained in the SCIMPS (112.7%). A total of 15144 trainings were held for entrepreneurs (23.3%), 3582 trainings, seminars to support small and medium enterprises, improve business environment and investment climate (23.2%). 17 international consultants were involved to provide project implementation services in the Private Sector and Industry (100%).

7

ANALYSIS OF FOREIGN AID ALIGNMENT WITH THE LIVING STANDARDS IMPROVEMENT STRATEGY OF TAJIKISTAN FOR 2013-2015

The matching of foreign aid flows to Tajikistan's strategic priorities is an important part of the assessment of aid effectiveness. This section brings analysis of the correlation between foreign aid and the LSIS 2013-2015 is presented, based on the updated information and monitoring in AIMS. Development partners, while completing or updating the standard project input document in AIMS, provide information on projects/agreements and the goals, objectives and measures that are contained in the LSIS Action Matrix for the period 2013-2015.

Analysis from AIMS shows that in 2013, there were 133 projects aligned to LSIS measures being implemented, representing 24% of all foreign aid projects in 2013. Under these projects, 185 agreements were fulfilled. Foreign aid projects were carried out based on the 63 LSIS measures, or 19.2% of the total number of measures foreseen by the LSIS 2013-2015 Action Matrix. Disbursements against LSIS measures amounted to US\$ 206,471 thousand or 44.1% of total aid in 2013.

Assessment of the LSIS 2013-2015 Action Matrix shows measures classified in the following categories:

1. Measures with assessed needs, including:
 - a) those financed only by the Government of the Republic of Tajikistan (GRT in Tables 44 and 45);
 - b) those expected to be financed by development partners (DP in Tables 44 and 45);
 - c) those expected to be covered by co-financing from the Government of the Republic Tajikistan and development partners; and
 - d) those that have indefinite international sources of funding.
2. Measures, for which the needs are not evaluated.

This classification is very important while assessing the degree of satisfaction of LSIS needs in foreign aid, and in the development of mechanisms for the direction of foreign aid to address LSIS needs.

The Table 44 provides details on the number of measures by sector for the LSIS 2013-2015 Action Matrix assuming attraction of foreign aid and the volume of aid needed. In the column 'Total measures in LSIS Action Matrix', in brackets the number of measures except for the measures that are only funded by the Government of the Republic of Tajikistan, and measures with foreign direct investment (FDI) attraction are shown.

Table 45 provides information on the actual number of implemented measures with the attraction of foreign aid, and payments made on those in 2013. The information on the measures is provided in accordance with the aforementioned classification.

Figure 164 shows the number of measures of the LSIS 2013-2015 Action Matrix that require attraction of foreign aid, and those that were actually implemented through foreign aid in 2013.

In 2013, there were 63 LSIS 2013-2015 measures funded (23.2% of all of measures), except for the measures that are only funded by the Government budget, and measures with FDI, while out of the 18 measures intended to be funded by development partners, only six (33.3%) were actually funded.

TABLE 44. Indicators of LSIS 2013-2015

№	LSIS Sector	Number of measures in LSIS action matrix :						LSIS need in donor funds (US\$ 000s) :				
		Total measures in LSIS action matrix ³	Measures financed only at the expense of GRT	Measures supposed to be financed by the DP	Measures supposed to be co-financed by the GRT and the DP	Measures involving foreign direct investment	Measures with uncertain international source of financing	Measures with undefined needs	Need in foreign aid	Against measures supposed to be financed by the DP	Against measures supposed to be co-financed by the GRT and the DP	Against measures with uncertain international source of financing
1.1	Improve Public Administration	64						64				
1.2	Ensure macro-economic development	23			1			22	20 000		20 000	
1.3	Ensure improved investment climate, private sector and entrepreneurship development	21					3	18	3 611			3 611
1.4	Development of special economic zones: free economic zones and technology parks	5			2		3		90 115		32 767	57 348
1.5	Enhance integration with the global economy	7						7				
2.1	Energy, industry and other sectors' development	15 (10)		3	1	5	4	2	399 886	109 500	283 700	6 686
2.2	Infrastructure development: transport and communication	16 (12)	4	3	2			7	584 200	29 500	554 700	
2.3	Ensure food security: agriculture development, water supply and land use	27 (15)	12	1	2		10	2	64 018	15 000	46 950	2 068
3.1	Strengthen social protection and provide population employment	44 (13)	31	3	5		3	2	16 797	14 002	2 135	660
3.2	Education and science sector development	37 (36)	1		6		14	16	3 796		221	3575
3.3	Health development and ensure improved population's health	21						21				
3.4	Provide population with clean water, sanitation and rendering communal services	9		6	1			2	58 610	47 110	11 500	
3.5	Ensure environmental stability and sustainable development	23 (21)		1	6	2	14		27 317	3 000	14 097	10 220
3.6	Ensure gender equality	10			9			1	1 246		1 246	
3.7	Improve demographic planning	5		1			4		150	150		
	Total	327 (272)	48	18	35	7	55	164	1 269 746	218 262	967 316	84 168

³ In brackets the number of measures except for the measures that are only funded by the Government of the Republic of Tajikistan, and measures with foreign direct investment (FDI) attraction are shown. The need for foreign aid is presented without consideration of the budgetary funds and FDI.

TABLE 45. Actual indicators of LSIS 2013-2015 as of 2013

№	LSIS Sector	LSIS measures within which projects have been implemented in 2013	Including:			Measures with undefined needs	Payments against projects implemented under LSIS measures in 2013 (US\$ 000s)	Including:			
			Measures financed by DP	Measures financed by GRT and DP	Measures with uncertain international source of financing			Against measures supported to be financed by the DP	Against measures supposed to be co-financed by the GRT and DP	Against measures with uncertain international source of financing	Against measures with undefined needs
1.1	Improve Public Administration	6	-	-	-	6	3 143	-	-	-	3 143
1.2	Ensure macro-economic development	-	-	-	-	-	-	-	-	-	-
1.3	Ensure improved investment climate, private sector and entrepreneurship development	6	-	-	-	6	942	-	-	-	942
1.4	Development of special economic zones: free technology parks	-	-	-	-	-	-	-	-	-	-
1.5	Enhance integration with the global economy	-	-	-	-	-	-	-	-	-	-
2.1	Energy, industry and other sectors' development	3	1	1	-	1	28 057	5 359	3 689	-	19 009
2.2	Infrastructure development: transport and communication	2	1	1	-	-	114 991	21 126	93 865	-	-
2.3	Ensure food security: agriculture development, water supply and land use	7	1	3	1	2	14 187	549	11 213	1 134	1 291
3.1	Strengthen social protection and provide population employment	7	-	1	6	-	1 569	-	133	1 436	-
3.2	Education and science sector development	10	-	1	6	3	12 119	-	150	4 931	7 038
3.3	Health development and ensure improved population's health	10	-	-	-	10	10 633	-	-	-	10 633
3.4	Provide population with clean water, sanitation and rendering communal services	4	2	1	-	1	14 444	6 515	1 523	-	6 406
3.5	Ensure environmental stability and sustainable development	5	1	3	1	-	6 168	2 026	1 942	2 199	-
3.6	Ensure gender equality	3	-	2	-	1	219	-	158	-	61
3.7	Improve demographic planning	-	-	-	-	-	-	-	-	-	-
	Total	63	6	13	14	30	206 471	35 575	112 673	9 700	48 523

There are 35 measures in the LSIS 2013-2015 Action Matrix of the LSIS intended for co-financing by the Government of the Republic of Tajikistan and development partners. During the reporting year 13 measures (37.1%) were implemented. Regarding the measures with an expected need but with no certain international source of funding, 14 of the 55 measures (25.5%) from the LSIS 2013-2015 were actually funded in 2013. In the Action Matrix, there are also 164 measures without needs assessed, and in 2013, there were 30 such measures (18.3%) implemented through foreign aid.

Figure 164. Diagram of the total number of Action Matrix of the LSIS and measures financed in 2013 through foreign aid.

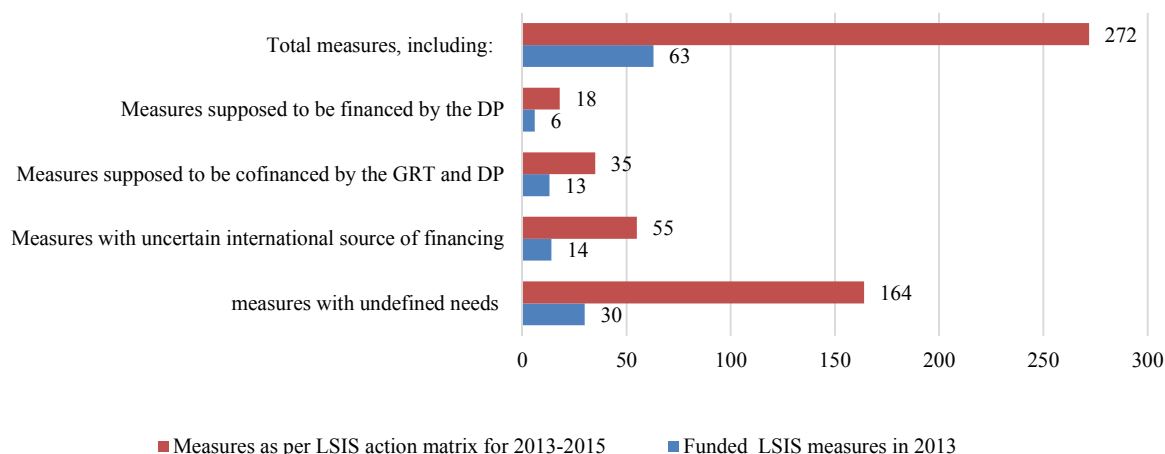
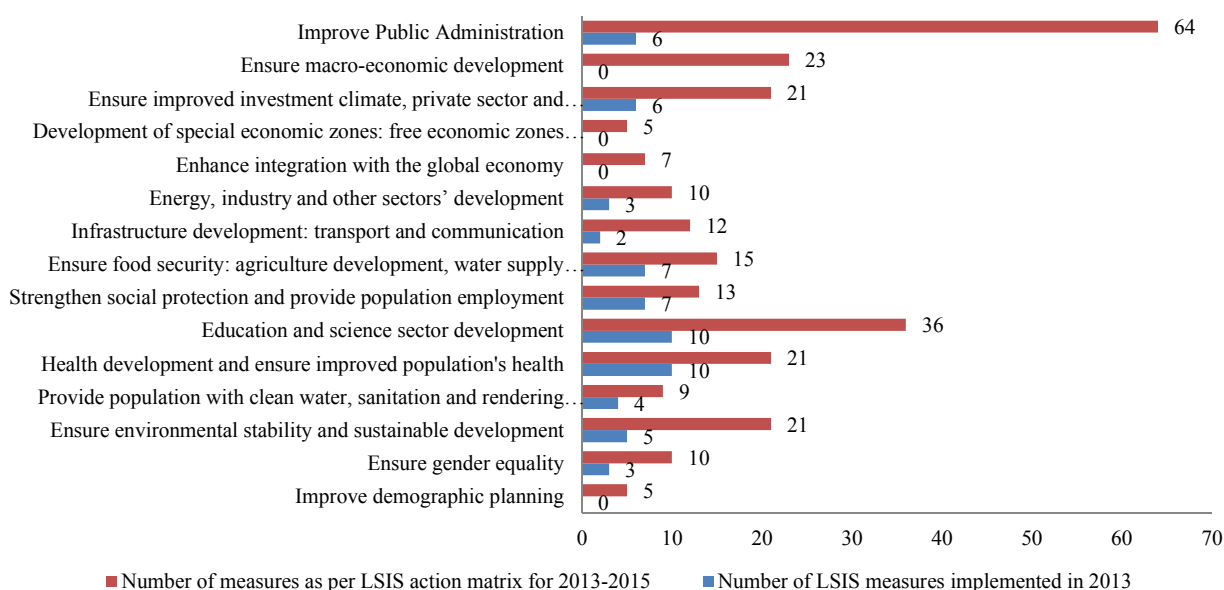


Figure 165 provides information by sector on the number of measures foreseen by the LSIS 2013-2015 Action Matrix and measures that were actually implemented during 2013 through foreign aid.

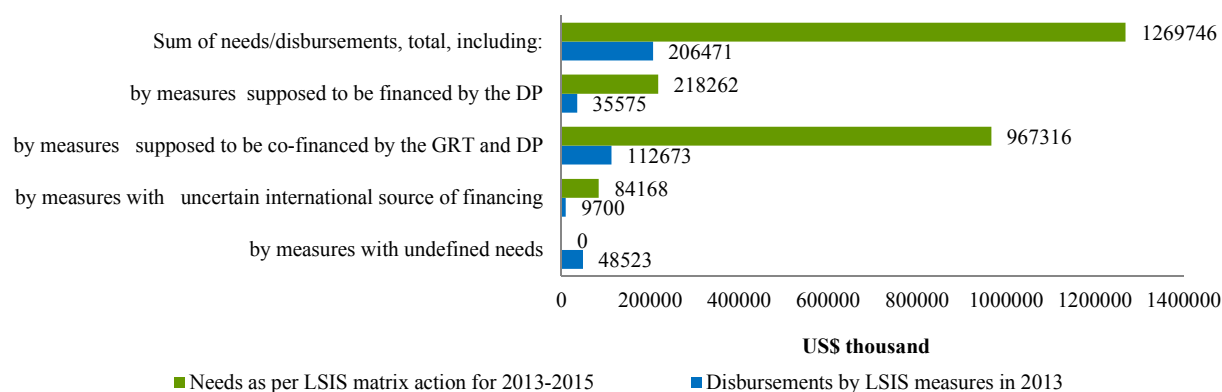
Figure 165. Diagram of the number of measures of the Action Matrix of the LSIS for 2013-2015 and measures that are financed in 2013 by sectors through the foreign aid.



The analysis shows that the largest number of measures of the LSIS 2013-2015 Action Matrix are foreseen in the sector 'Public administration': 64 measures were implemented in 2013 through foreign aid projects, with six measures implemented (with needs not assessed). In the sector of 'Development of education and science' there are 36 measures foreseen, but only 10 measures funded in 2013, of which one measure was financed as intended by development partners, six with uncertain international sources of funding and three measures with the needs not assessed. The 'Healthcare development and ensure improved population's health' sector had 10 measures funded of the 21 expected, all of which do not have the needs assessment. During 2013, there were no measures implemented in the sectors of 'Ensuring the macroeconomic development', 'Development of special economic zones: FEZ and technological parks', 'Enhancing integration with the global economy' and 'Improving demographic projection and planning'.

Figure 166 compares the needs for foreign aid of the LSIS 2013-2015 Action Matrix and actual disbursements for 2013.

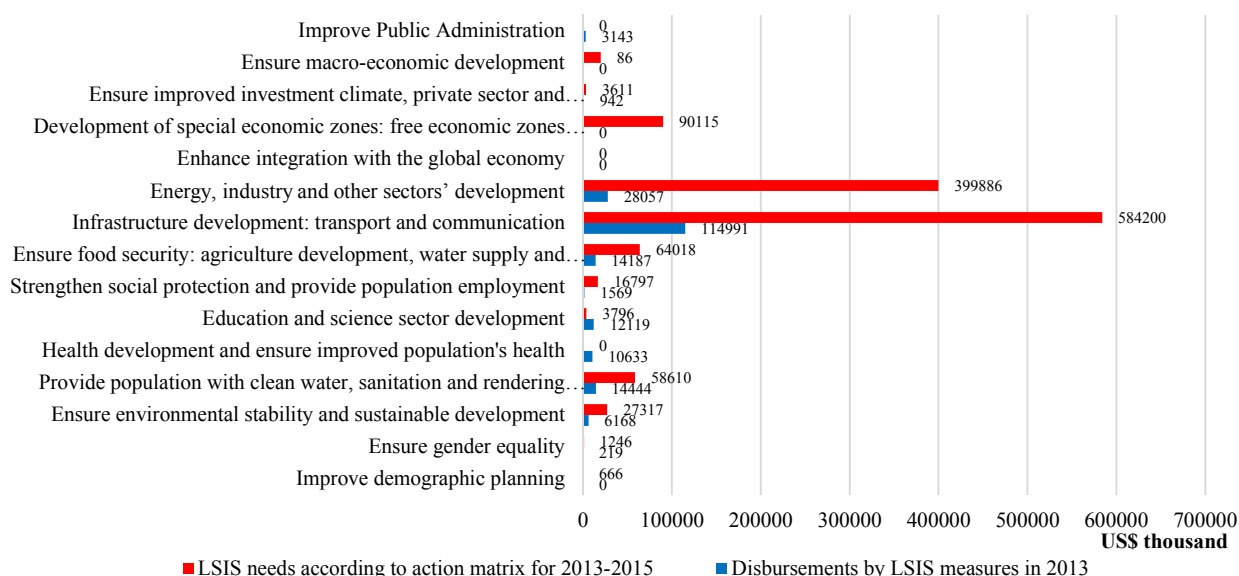
Figure 166. Diagram of the LSIS 2013-2015 needs and actual disbursements in 2013 by the group of measures on the cost of the foreign aid.



Disbursements for projects under foreign aid in the LSIS 2013-2015 Action Matrix amounted to US\$ 206,471 thousand in 2013, which corresponds to 16.3% of the total LSIS 2013-2015 needs (of US\$ 1,269,746 thousand). Analysis of payments made in 2013 on LSIS measures by classification group, shows that the proportion of payments made against measures intended to be financed by development partners was US\$ 35,575 or 16.3% of total needs (of US\$ 218,262 thousand). Payments on the measures intended to be financed by the Government of the Republic of Tajikistan and development partners totaled US\$ 112,674 thousand or 11.6% of total needs (of US\$ 967,316 thousand). The share of payments against the measures with uncertain international sources of funding accounted for 11.5% of the amount envisaged by the LSIS 2013-20145 Action Matrix. The Action Matrix includes 164 measures that have not had needs assessed, but in 2013 – as has been noted above – 30 measures of this group were implemented, for which the payments accounted for US\$ 48,523 thousand.

Figure 167 provides details of the needs by sector of the LSIS 2013-2015 Action Matrix and actual payments thorough foreign aid in 2013.

Figure 167. Diagram of needs of the Action Matrix of the LSIS 2013-2015 and actual disbursements in 2013 by sectors through foreign aid.



The analysis shows that the greatest need for donor funds is in the 'Infrastructure development' sector: 'Transport and communication', with US\$ 584,200 thousand required (46% of total LSIS 2013-2015 needs). Payments under LSIS 2013-2105 in this sector amounted to US\$ 114,991 thousand (19.7% of total needs of the sector) in 2013. In the 'Healthcare development and ensured improved population's health' sector all the measures are lacking needs assessments, but in 2013, actual payments under LSIS 2013-2015 through foreign aid amounted to US\$ 10,633

thousand. A similar situation is observed in the 'Improving public administration' sector, where payments were made under LSIS 2013-2015 amounting to US\$ 3,143 thousand in the absence of needs assessment for the sector.

Figure 168 shows the structure of payments for foreign aid projects carried out under LSIS 2013-2015 for each group of international organizations in 2013. During the year the largest volumes of payments were made by multilateral organizations, totaling US\$ 125,309 thousand, or 60.7% of foreign aid under LSIS 2013-2015. Multilateral organizations implemented 32 LSIS 2013-2015 in 2013. The proportion of payments by bilateral organizations was 37.6% or US\$ 77,575 thousand, covering the implementation of 39 LSIS measures. The contribution of non-governmental organizations to the implementation of the LSIS 2013-2015 was US\$ 3,587 thousand (1.7%) in 2013, representing 22 LSIS measures.⁴

Figure 168. The Diagram of the volumes and structure of foreign aid aimed at LSIS implementation in 2013 by groups of international organizations.

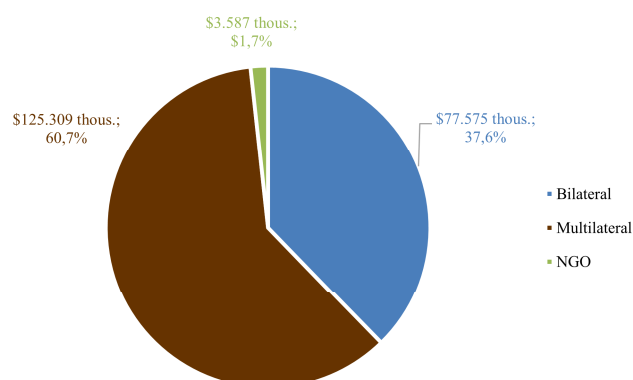


Figure 169 shows the structure of payments for foreign aid projects implemented under the LSIS 2013-2015, according to loans and grants in 2013. Of the US\$ 206,471 thousand allocated in 2013 by various international organizations to implement LSIS measures, US\$ 123,078 thousand (59.6%) were allocated in the form of grants; and US\$ 83,393 thousand (40.4%) in the form of loans.

Figure 169. Diagram of the structure of payments for loans and grants under LSIS in 2013.

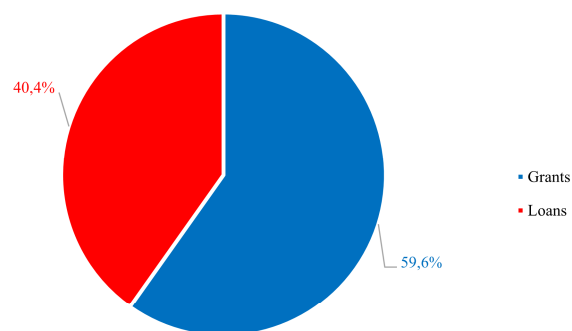
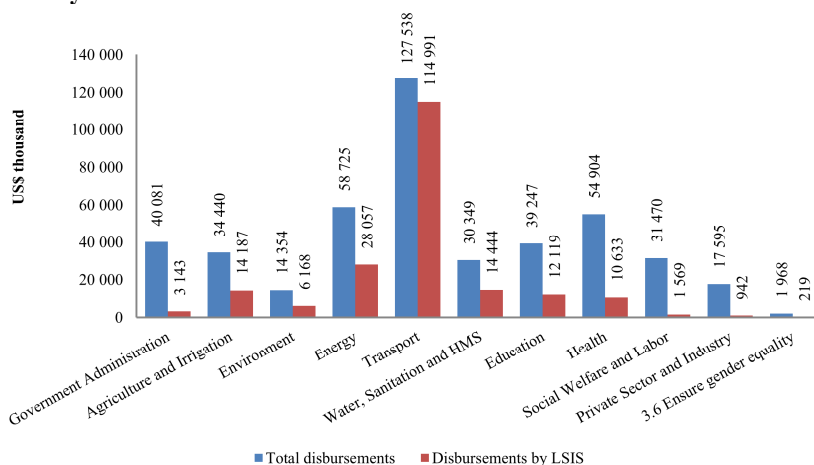


Figure 170 shows the total volume of foreign aid to Tajikistan, with payments under LSIS 2013-2015 by sector in 2013. The 'Transport' sector has the highest proportion of payments of foreign aid for LSIS 2013-2015, at 90.2%. For all other sectors, the proportion of payments under LSIS 2013-2015 is

Figure 170. Diagram of total volumes of foreign aid and payments under LSIS by sectors in 2013.



less than 50% of the total volume of foreign aid. There are very low proportions of payments for the sectors of 'Public administration' (8.2%), 'Social welfare and Labor' (5.6%) and 'Private Sector' (5.5%).

The LSIS 2013-2015 Action Matrix can be characterised as following:

a) there is a relatively high proportion of the measures on which the needs are assessed, but the international sources of funding is not defined

(20% or 55 measures). In the sector of 'Improvement of the demographic projection and planning' this indicator is 90%, followed by 'Ensure environmental security and sustainable development' at 67%; 'Ensure food security: agriculture development, water and land use' also at 67%; and 'Development of education and science, 40%;

b) there is a high proportion of the measures on which needs assessment is not carried out (60% or 164 measures). In the sectors of 'Improving public administration and 'Healthcare development and ensure improved population's health, this indicator is 100%, i.e. all measures have no needs assessments done.

⁴ As some measures of LSIS 2013-2015 may be financed by several organizations, the arithmetical total of these measures does not equate to their actual number.

In general, in 2013:

- a) Payments under LSIS 2013-2015 totaled US\$ 206,471 thousand, which corresponds to 16.3% of LSIS needs for 2013-2015 and 44.1% of total payments in 2013;
- b) Of the 272 LSIS measures that were in need of foreign aid, only 63 measures were implemented.

It should be noted that in 2013, implementation of the measures of the PRS 2010-2012 was carried out. Funding for these measures continued to 2013 under the respective projects that began in 2010-2012. Table 46 contains details of these measures and the volume of payments against them for the reporting period.

Thus, in 2013, a total of 25 PRS 2010-2012 measures and 63 LSIS 2013-2015 measures were implemented, with total disbursements of US\$ 240,607 thousand.

SCISPM ensured the successful implementation of the LSIS 2013-2015, by basing it on the lessons learned from previous strategies and through the development of relevant mechanisms, thereby resulting in effective attraction of foreign aid for LSIS. Nevertheless, all stakeholders involved in attracting foreign aid should take all necessary measures to improve the coordination of their own activities in accordance with the Guidelines on Foreign Aid Mobilization, Management, Coordination and Monitoring in the Republic of Tajikistan". The respective sectorial/territorial agencies responsible for the implementation of activities foreseen in the LSIS 2013-2015 Action Matrix – in close coordination with SCISPM – should: develop project proposals on LSIS measures that have no needs assessment; form sectorial/territorial lists of priority projects (LPP); and submit them to the central authorised body (SCISPM) to ensure an active search for funding sources is undertaken.

TABLE 46. PRS measures realized in 2013

PRS Sector / PRS measures	Disbursements by PRS 2010-2012 in 2013 (US\$ thousand)
Total	34 136
3. Improvement of the investment climate, development of the private sector and entrepreneurship	574
1.1. Strengthening of the role of the Committee, which the Government appointed as the body authorized for investment and the protection of state support for entrepreneurs	517
1.6. Coordination of legislation on intellectual property in compliance with the requirements of World Trade Organization's (WTO) on the protection of intellectual property rights (TRIPS)	56
5.2 Development of Energy	16 598
3.3.34. Project for regional inter-system electricity transfer line	16 598
6. Food security and development of the agricultural sector	5 444
Implementation of a food security programme for the period until 2015	1 182
Development and implementation of the programme to unite farmers into associations and cooperatives	132
Development and implementation of a project on accounting and financial centers for dekhkan farms	325
Training of dekhkan farm specialists in agricultural development centers of National Association of Dehkan Farms (NADF) in rural communities	200
Implementation of a rural development project	2 666
Restoration of irrigation systems	48
Implementation of flood risk management project in Khatlon Region	271
Reduction in the level of food-related diseases	619
7. Development of the Education and Science system	4 214
Increase in the proportion of children attending pre-school institutions (as a % of total number of pre-school age children); increase in the number of children attending private educational institutions	213
3.1.3 Publication of textbooks and teaching manuals (upgrading the plan of publishing, publication of textbooks according to the study plan and assessment of textbooks)	242
3.2.2 Introduction of educational programmes	289
4.1.1 Support for children from poor families (arranging hot food; compensation for needy families as per the Government Decree	100
4.1.2 Main directions established for specialized education (inclusive) for children with limited physical abilities (development of national standards of education, national strategy and programme, experimental programmes in selected schools and its assessment, development of expenditures and development of specialized education)	80
5.2.2 Building of new potential and rehabilitation of existing potential (plans of construction and rehabilitation; renovation and changes in schools' base; construct schools meeting minimum standards	3 133
8.3. Provision of equipment and materials for science organizations	124
8.4. Improvement of information, access to Internet and establishment of ITC science centers	12
3.2.2. Mechanism for post-graduate students	20
8. Development of the Health care sector	1 606
1.7 Within the framework of public administration reform, improvement in the function of Ministry of Health at the central and local levels	773
3.1 Capacity building for health workers and improving medical equipment provision for the primary healthcare system for maternal care	425
4.1 Raising awareness of people, particularly groups at risk and vulnerable segments of population on HIV/AIDS, malaria, tuberculosis and gastro-intestinal parasites and diseases to be controlled by vaccination.	335
5.5 Rehabilitation of health centers in villages, districts and cities	73
9. Social protection	349
2.9. Strengthening of and enhancement in the employment centre on the effective implementation of the programme on assistance to employment and reducing labour market pressure	111
2.17. Conducting of professional development courses (human potential development) for staff from the labour, employment, protection and service and adult education sectors	192
2.19. Strengthening of the material and technical bases of the State Services for the supervision of labour, employment and social welfare.	13
4.12. Improvement to the system of social services and benefits	33
10. Expansion of access to water supply, sanitation and housing and municipal services	4 036
3. Implementation first phase of programme on "Improvement of drinking water supply of population for 2007-2020"	3 000
Rehabilitation and expansion of the water supply system of the Province	1 036
11. Promotion of environmental sustainability	755
1.1. Capacity building of national and local authorities responsible for development and implementation of environmental protection policy	333
2.5. Promotion of projects on land degradation	213
2.9 Planting of trees along banks of rivers and in deserts and foothills for stabilization of water flow	209
12. Promotion of gender equality	562
2.1.1. Conducting of information and educational activities to raise public opinion on the importance of education for young boys and girls.	561
2.1.2. Offer of continued programmes and projects to support talented students and young women scientists, taking into account international experiences	1

ACRONYMS

ACRONYMS OF DEVELOPMENT PARTNERS

ACR.

ABUDABI	AbuDabi Fund
AAR Japan	Association for Aid and Relief, Japan
ABA ROLI	American Bar Association Rule of Law Initiative
ACIE	American Councils for International Education in Tajikistan
ACTCA	Act Central Asia
ACTED	Agency for Technical Cooperation and Development
ADB	Asian Development Bank
AFEW	Stichting AIDS Foundation EastWest Representative Office in Tajikistan
AKDN	Aga Khan Development Network
AKES	Aga Khan Education Services
AKF	Aga Khan Foundation Tajikistan
AKFED	Aga Khan Fund for Economic Development \ Industrial Promotion Services (IPS) Asia region
AKHS	Aga Khan Health Service in Tajikistan
CAREC TB	Tajik Branch of the Regional Environmental Centre for Central Asia
CARIT-G	Caritas Germany in Tajikistan
CARIT-I	Caritas Internationalis Tajikistan
CARIT-L	Foundation CARITAS Luxembourg
CARIT-S	Caritas Switzerland in Tajikistan
CESCD	Committee on Emergencies Situations and Civil Defense
CESVI	CESVI COOPERATION AND DEVELOPMENT
CPART	Counterpart International, Tajikistan
DFID	UK Department for International Development
EBRD	European Bank for Reconstruction and Development
EU	European Union
EXIM	Export-Import Bank of the Chinese People's Republic
FAO	Food and Agriculture Organization of the United Nations
FOCUS	Focus Humanitarian Assistance in Tajikistan
GAA	Welthungerhilfe/German Agro Action
GEF	Global Environment Facility
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GL	Government of Luxembourg
GIFund	Global Fund to Fight AIDS, TB and Malaria
GoAu	Government of Austria
GoAus	Government of Australia
GOCD	Government of Canada
GOCH	Government of Switzerland
GOCN	Government of the People's Republic of China
GODE	Government of the Federal Republic of Germany
GOFL	Government of Finland
GOFR	Government of France
GOIRI	Government of the Islamic Republic of Iran
GOJ	Government of Japan
GoN	Government of Netherlands
GONW	Government of Norway
GORF	Government of Russian Federation
GOTK	Government of the Republic of Turkey
GOUS	Government of the United States of America
GP GB	Global Partners Great Britain
HA	The representation of Hilfswerk Austria International in the Republic of Tajikistan
Habitat	Habitat for Humanity Tajikistan
Helvetas	Helvetas, Swiss Association for International Cooperation
HI	Handicap International Federation
IBDR	International Bank for Reconstruction and Development
ICRC	The International Committee of the Red Cross Mission in Tajikistan
IDB	Islamic Development Bank
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation, a member of World Bank Group

IFRC	International Federation of Red Cross and Red Crescent Societies Tajikistan Country Representation
IMF	International Monetary Fund
INGO	International NGOs
INL	U.S Department of States Bureau for International Narcotics and Law Enforcement Affairs
IOM	International Organization for Migration
IREX	International Research and Exchanges Board
JICA	Japan International Cooperation Agency
KFAED	Kuwait Fund for Arab Economic Development
KfW	Germany / KfW Development Bank (KfW Entwicklungsbank)
MC	Mercy Corps in Tajikistan
MFA	European Commission - Macro-Financial Assistance
ME	Mission East
MSDSP	Mountain Societies Development Support Programme
OM	Branch of Operation Mercy in the RT
OPEC	OPEC Fund
OSCE	Organization for Security and Cooperation in Europe
OSI	Branch Office of the International Organization of Open Society Institute Assistance Foundation in Tajikistan
Oxfam	The Affiliate of OXFAM GB Association in the Republic of Tajikistan
SC	The Branch of “Save the Children International” in the Republic of Tajikistan
SCO	Swiss Cooperation Office /Consular Agency in Tajikistan
SFD	Saudi Fund for Development
SSSEA	Swiss State Secretariat for Economic Affairs
TICA	Turkish International Cooperation Agency
UCA	University of Central Asia
UN Women	UN Women
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund in the Republic of Tajikistan
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children’s Fund
UNODC	United Nations Office on Drugs and Crime, Regional Office for Central Asia
USAID	United States Agency for International Development in RT
VSO	Voluntary Service Overseas
WB	The World Bank Group
WFP	United Nations World Food Programme

ACRONYMS OF SECTORS

ACR.	SECTOR
A&I	Agriculture and Irrigation
Edu	Education
Energy	Energy
Env	Environment
GA	Government Administration
Health	Health
MS	Multisector ⁵
PS&I	Private Sector and Industry
SW&L	Social Welfare and Labor
Tr	Transport
W&S	Water, Sanitation and HMS

⁵ Multi-sector includes Culture, Sport, Gender equality, Civil Society and others

ACRONYMS OF GOVERNMENT AGENCIES

ACR.

GOVERNMENT AGENCIES

ALGC	Agency on Land, Geodesy and Cartography under Government of Republic of Tajikistan
CS EA	Customs Services under Government of Republic of Tajikistan
CSBP	General Department on State Border Protection
EAP	Executive Administration of President of RT
HD	Hukumat of Dushanbe
IAD	International Airport Dushanbe
LA	Local authorities
LH	Local Hukumats
MA	Ministry of Agriculture
MEDU	Ministry of Education
MET	Ministry of Economic Development & Trade
MF	Ministry of Finance
MFA	Ministry of Foreign Affairs
MH	Ministry of Health
MIWR	Ministry of Irrigation and Water Resources
MLSP	Ministry of Labor and Social Protection
MSRD	Ministry of State Revenues and Duties
MTC	Ministry of Transport and Communication
NB	National Bank of Tajikistan
NCS	State Committee on Statistics of the Republic of Tajikistan
NSIFT	National Social Investment Fund of Tajikistan
PCUH	PCU for Health Project
PIG PWSIH	PIG Potable water supply improvement in Mir Sayid Alii Hamadoni
PIG RCSS	PIG Reconstruction and completion of secondary schools
PIU DCH	PIU Rehabilitation of Dushanbe-Chanak motorway
PIU DVI	PIU for Dangara valley Irrigation Project
PIU LRCS	PIU of the Land Registration and Cadsatre System for Sustainable Agriculture Project
PIU RR	PIU for Roads Rehabilitation
PIU ShZ	PIU of Shagon-Zigar road construction
PMU "PSCP"	PMU "Private Sector Competetiveness Project"
PMU EES	PMU for Electro-Energy Sector
PMU FVWRM	PMU Ferghana Valley Water Resources Management Project
PMU IR	PMU for Irrigation Rehabilitation Project
PMU LPD	State Enterprise "Project Management Unit "Livestock and Pasture Development"
PMU MCID	PMU Municipal (communal) Infrastructure Development Project -
PMU RCPFD	PMU for resolution of cotton producing farm debt and cotton sector sustainable development
PMU RDP	PMU Rural Development Project
PMU WSD	PMU Dushanbe Water Supply Project
SAHCEPGRT	The State Agency on Hydrometeorology of the Committee for Environment Protection under the Government of RT
SCEPF	State Committee for Environmental Protection and Forestry
SCESCD	State Committee for Emergency Situations and Civil Defense
SCISPM	State Committee on Investments and State Property Management of RT
SCUE KNS	State Communal Utility Enterprise (KNS) "Khizmatrasonii nagliyoti sanitari" Khujand
SHC BT	Holding Stock Public Company "Barki Tojik"
SUE NTC	State Unitary Enterprise National Testing Centre
SUE KHKM	SUE "Hojagii Manzili Komunali"
SUE KHV	SUE "Khudjand Vodokanal"
SVD	State Veterinary Department

EXCHANGE RATES AS OF DECEMBER 31, 2013

Currency	Code	Exchange Rate
US Dollar	USD	1,0000
European Euro	EUR	1,3777
Tajik Somoni	TJS	0,2095
Japanese Yen	JPY	0,0226
Special Drawing Rights	SDR	1,5452
Kuwaiti Dihram	KWD	3,5436
Saudi Riyal	SAR	0,2666
Islamic Dinar	ISD	1,5452
UK Pound Sterling	GBP	1,6479
Swiss Franc	CHF	1,1228
Canadian Dollar	CAD	0,9337
Swedish Kronor	SEK	0,1546
Chinese Yuan Renminbi	CNY	0,1648

FOREIGN AID REPORT – 2013

Under the general editorship of

Kodiri Kosim

Chairman of the State Committee on Investments
and State Property Management of the Republic of Tajikistan

Prepared by Project

«Support to Effective National Aid Coordination and Monitoring»

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