TAJIKISTAN

OPPORTUNITIES FOR INVESTMENT
AND COOPERATION

investcom.tj  tajinvest.tj  b2b.tj
Tajikistan
Selected indicators

Territory
142 600 km²

Population
10 million

Population of countries surrounding Tajikistan
4 billion
50% of world population

GDP growth 2022
8%

Current GDP in USD
$10,1 billion

GDP per capita
$1050
Key Macro Trends

GDP Growth, %

CPI Inflation, %

Unemployment rate, %

Export & Imports million USD

- Export in 2022 was 2,330
- Import in 2022 was 5,129

Worldbank, NBT, IMF, Trade.tj, tradingeconomics.com

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Export & Imports million USD

Exports in 2022 by county
- Switzerland: 48%
- Russia: 4%
- Kazakhstan: 19%
- China: 8%
- Turkey: 12%
- Uzbekistan: 7%
- Iran: 2%

Imports in 2022 by county
- Switzerland: 36%
- Russia: 36%
- Kazakhstan: 24%
- China: 20%
- Turkey: 4%
- Uzbekistan: 9%
- Iran: 2%
- Germany: 3%

Exports in 2022 by Goods
- Cotton: 21%
- Electricity: 10%
- Ore: 16%
- Other: 16%
- Aluminium: 24%
- Cement, salt: 10%
- Fruits and vegetables: 3%

Imports in 2022 by Goods
- Oil products: 16%
- Non-precious metals: 13%
- Green vegetables: 12%
- Chemicals: 8%
- Equipments: 18%
- Others: 33%
FDI Dynamics mln. $

$429.1 million in total foreign direct investment in 2022

FDI by Countries 2022 US mln. $

$429.1 million in total foreign direct investment in 2022

<table>
<thead>
<tr>
<th>Country</th>
<th>Investment (US mln.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>745.9</td>
</tr>
<tr>
<td>Switzerland</td>
<td>317.7</td>
</tr>
<tr>
<td>France</td>
<td>261.1</td>
</tr>
<tr>
<td>Singapore</td>
<td>265.5</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>346</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>265.5</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>1637.3</td>
</tr>
<tr>
<td>Turkey</td>
<td>2031.9</td>
</tr>
<tr>
<td>China</td>
<td>2022</td>
</tr>
</tbody>
</table>

FDI by Sectors 2022 US mln. $

$429.1 million in total foreign direct investment in 2022

<table>
<thead>
<tr>
<th>Sector</th>
<th>Investment (US mln.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining and sand</td>
<td>367.1</td>
</tr>
<tr>
<td>Manufacturing industry</td>
<td>57.7</td>
</tr>
<tr>
<td>Building</td>
<td>7.4</td>
</tr>
<tr>
<td>Financial intermediation</td>
<td>2.7</td>
</tr>
<tr>
<td>Real estate, rental and commercial activities</td>
<td>0.04</td>
</tr>
<tr>
<td>Hotels and restaurants</td>
<td>0.03</td>
</tr>
<tr>
<td>Wholesale and retail trade, car repair</td>
<td>-6</td>
</tr>
<tr>
<td>Other sectors</td>
<td>0.01</td>
</tr>
</tbody>
</table>
Why Tajikistan?

- In Top – 10 Safest Countries to Gallup Law & Order Index
- Tax Exemptions
- Free Economic Zones
- Low Labor Cost, Well Educated Talent Pool
- Well Connected
- Culture and Values
Hydropower

Market

527
Bln kWh
1st

The total potential is 527 billion kWh, 95% of this potential is awaiting development and investment. Since independence, 283 small hydropower plants have been commissioned with a total capacity of over 30,000 kW. Tajikistan ranks 1st in the world in terms of hydropower potential per unit of area, 2nd on per capita basis, and 8th overall*.

Target

01
Construction of small hydropower plants

02
Investment projects for the construction of high-voltage power lines

03
Reconstruction of existing hydroelectric power plants (on Nurek 3.000 MW)

04
Construction of new large hydroelectric power plants (e.g. Rogun 3.600 MW)

05
Using other renewable sources (wind, solar)
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**Market**

Tajikistan is a developing country. The IT sector is the most popular sphere in the country.

**Realizing**

- **«Safe City»**
  - Photo system and video recording of traffic rules
  - Smart traffic lights

- **«Smart Health»**
  - Healthcare
  - Tibby Oson

- **«Smart Government»**
  - Electronic City Government
  - MFC

- **«Smart Transport»**
  - Smart parking
  - Smart public transport

- **«Smart Services»**
  - Smart waste management
  - Smart House

- **«Social Project»**
  - Free Wi-Fi in parks, common places and transport

- **«Smart Project»**
  - Free Wi-Fi in parks, common places and transport

- **IT-Park Dushanbe**
  - Free Wi-Fi in parks, common places and transport

**Target**

01 «Smart construction and landscaping»

02 «Smart telecommunication infrastructure»

03 Green City Ecological projects

The State Business Incubator of Tajikistan

The State Committee on Investment and State Property Management of the Republic of Tajikistan

IT Sector/ High-tech

Tajrapt / Zipl.ai

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Market

- Electronic Visa System: 3
- International airports: 4
- National airlines: 2
- Five-star hotels: 3
- Resorts: 67
- Hotels: 158
- Dushanbe city ranked number one tourism destination:

Types of Tourism:

- Mountain and Sport Tourism
- Eco-Tourism
- Historical and Cultural Tourism
- Medical Tourism

Contact Information:

- investcom.tj
- tajinvest.tj
- b2b.tj
Tien Shan Gold Belt passes through Tajikistan.

250-300 tones of gold

One of the largest global silver / zinc / lead deposits in the world (1bn tonnes of ore, with 49gr/t silver, 0.38% zinc and 0.49% lead).

Konimansuri Kalon

Current gold production of the country is <10 tonnes per annum. With additional investments this could increase from 10 to 20 tonnes per annum.

Other resources

Coal, uranium, precious stones, are also available.
A significant increase in the share of processing cotton and other agricultural products within the country

Expansion of production capacity in the field of textile and knitted products

Construction of fruit and vegetable storage facilities

Infrastructure development, including further mechanization

Production of agricultural machinery and processing facilities

Tajikistan is a major fruit & vegetables producer.

Productive soil and favorable weather conditions yield great harvest.

Up to 20 percent of agricultural products are lost due to lack of storage & processing facilities.

Market

67% of all jobs in the country

25% Of countries export

35% of tax income

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Target:
Processing of medicinal herbs for the production of medicines, food supplements, tea, cosmetics, etc.

Incentives:
The import of medicines, medical, pharmaceutical equipment and medical instruments is exempt from value added tax.

Medicine

- More than 4,000 species of medicinal herbs

Pharmaceuticals
- The pharmaceutical market volume is approx. USD 150 million
- More than 30 domestic manufacturers
- 97% of medicines are imported
- 13.0% increase in prices for pharmaceutical products in 2019

Cosmetology
- Mainly from the high mountain regions
- Unique, environmentally friendly plants: liquorice root, lavender, mountain plants

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Medicine Market

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- Medicine
- Medicine Market
- Pharmaceuticals
- Cosmetology

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Finance and Banking Sector

**Market**

- **$1.5bn**
  - The sector can absorb >$1.5bn in investment

- **4 Foreign Bank**

- **14 national commercial banks**

- Total current size of the credit portfolios is $1.2bn, which makes only 18% of the GDP.

- Average credit/GDP ratio for the CIS countries is ~33%. Tajik banking system can adequately absorb doubling investment in this field.

- Simple deposit structures in the banking system could yield double digit income.

- 61 microfinance organizations and 2 credit societies.

- Liberalization of the banking system: new banking licenses can be granted (minimum required capital is ~$6m).

- To diversify financial services, Islamic Banking law has been adopted.

**Target**

- Maintenance of stable price in long time period;
- Creation of banks and microfinance organization with foreign investment;
- Straightening the payment system (online payments, e-commerce);
Investment Platforms & Guarantees

**Investment Platforms**

01 Concessional Agreements
02 Public Private Partnerships
03 Investment Agreements
04 Production Sharing Agreements

**Guarantees to Investors**

01 Equal rights of domestic and foreign investors
02 Guarantee of noninterference of government in business
03 Right of using and transferring funds abroad
05 Free property and information movement
06 Intellectual property rights
07 Right to use natural resources
Investment Protection

Mutual promotion and protection of investments
Algeria, Armenia, Austria, Azerbaijan, Belarus, Belgium; BLEU (Belgium-Luxembourg Economic Union), China, Czech Republic, France, Germany, India, Indonesia, Iran, Kazakhstan, Kuwait, Kyrgyzstan, Lithuania, Luxembourg, Moldova, Mongolia, Netherlands, Pakistan, Republic of Korea. Slovakia, Spain, Switzerland, Syria, Turkmenistan, Ukraine, United Arab Emirates, Uzbekistan, Vietnam

Multilateral protection of investments

Avoidance of double taxation
Kyrgyzstan, Kazakhstan, Russia, Belarus, Armenia, Azerbaijan, Ukraine, Poland, Moldova, Czech Republic, Turkey, Iran, Germany, Indonesia, Pakistan, United Kingdom, Kuwait, Malaysia, Qatar, Austria, Thailand, Saudi Arabia, United Arab Emirates, Vietnam, Republic of Korea, Romania, Bahrain, Finland, Switzerland, Uzbekistan
International companies that cooperate with us
B2B.TJ
- Business Portal Tajikistan

Source of information
- Doing Business
- Investment Opportunities
- Find partners

Database
- Sources of financing
- Investment projects
- Legislative documents

Support
- Legal Issues
- Tax advice
- All questions regarding the business in Tajikistan
- Capacity building of local entrepreneurs

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businessportal.tj
Fez.tj
Tajtrade.tj
LET'S GROW TOGETHER!