

Tajikistan: Investment Opportunities

General Director of SUE "Tajinvest"
Mr. Najmudinov Bahriddin

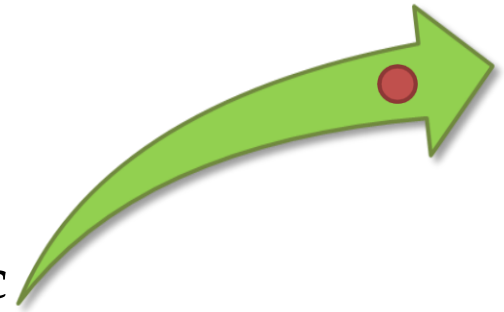
Dushanbe, May 2013



STABILITY



- Model of political stability;
- Robust economic growth: average annual GDP growth rate more than 7%;
- Sound macroeconomic management;
- Relative resilience amid global economic crisis.



Main Indicators	2006	2007	2008	2009	2010	2011	2012
GDP in market prices (US\$ bln.)	2,8	3,0	5,1	4,9	5,6	6,3	7,6
GDP Growth trends, (%)	7,0	7,8	7,9	3,4	6,5	7,4	7,5
GDP per capita (US \$)	404,8	515,5	697,0	646	727	808	974
Foreign trade turnover (mln. US \$)	3124,4	4015,3	4681,3	3579,9	3853,1	4443,3	5137,6
Inflation rate (%)	12,5	19,7	11,9	5,0	9,8	9,4	6,4

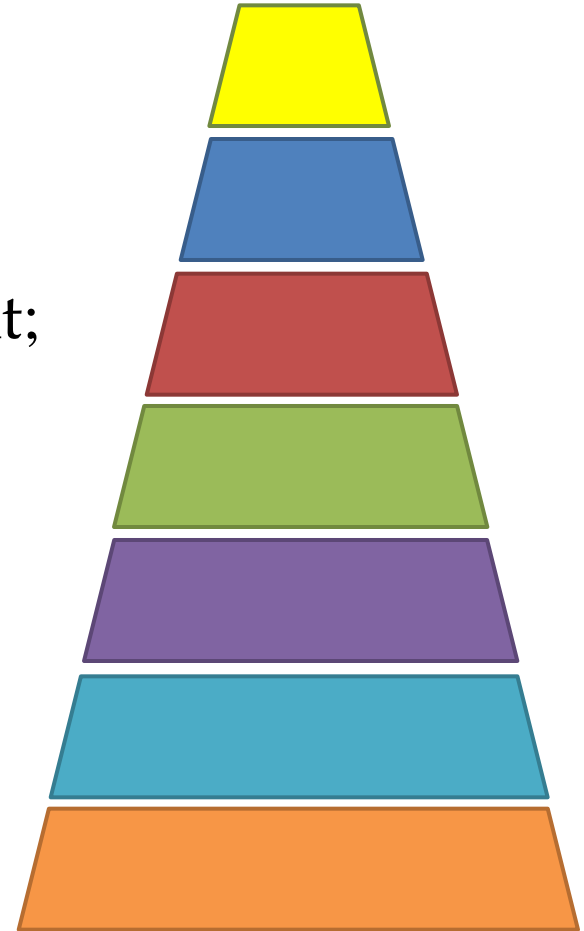
Source: Statistics Agency under the President of RT www.stat.tj



INVESTMENT DRIVERS



- Political and Socio-Economic Stability;
- Diverse Investment Opportunities;
- Regulation framework development;
- Strategic Geographic Location;
- Natural Resource Endowment;
- Favorable business climate;
- Open Trade Regime.

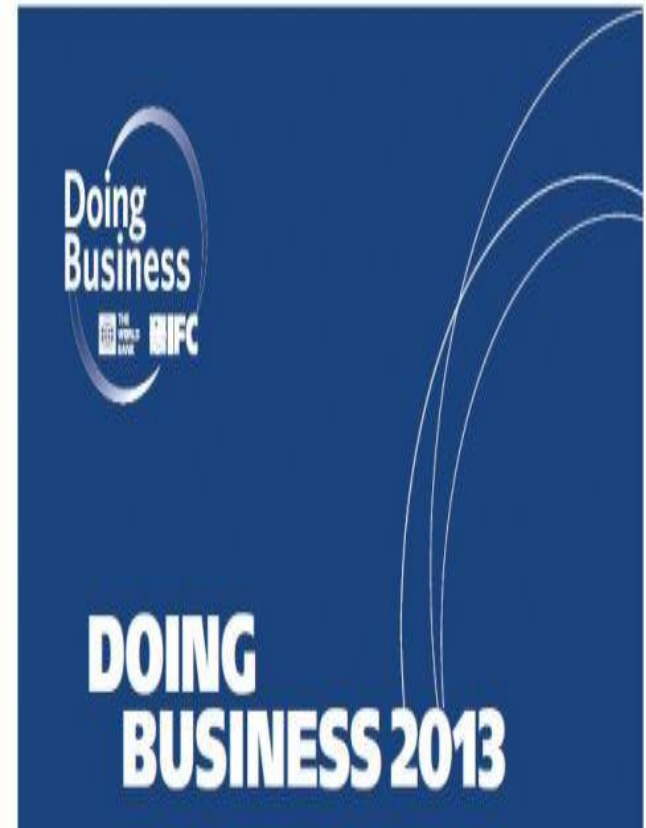




DOING BUSINESS 2013



- ❑ Tajikistan was in the top-10 list of economies improving the most in the ease of doing business in 2010 and 2011
- ❑ Major progress on various indicators of the World Bank rating “Doing Business 2013”; +6 points compare to 2012
- ❑ Most significant progress on indicators:
 - “Protecting Investors” +41;
 - “Registering Property” +8;

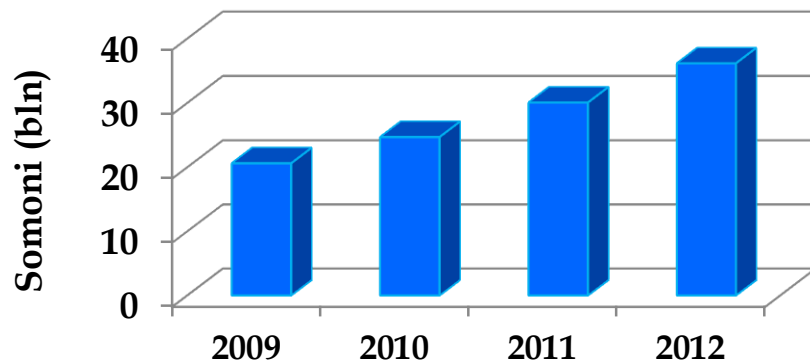




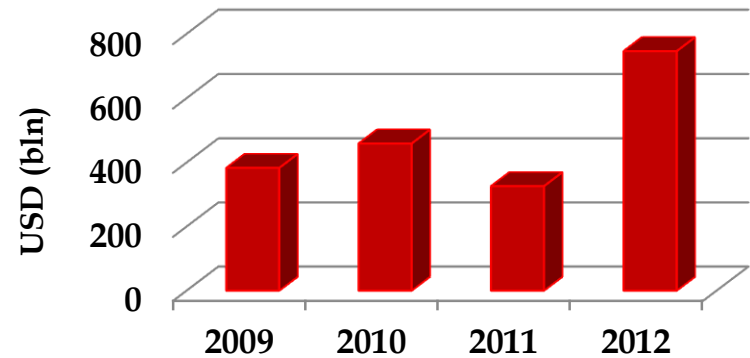
TRENDS



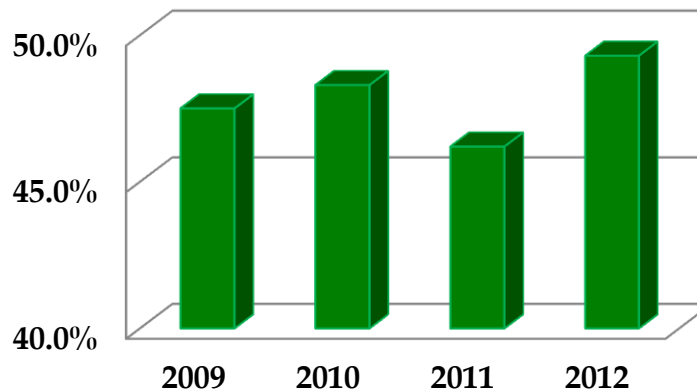
Dynamics of the GDP for the in 2009-2012.



Dynamics of the foreign investment in 2009-2012.



The private sector share in GDP formation in 2009-2012





Guarantees to Investors



- ❑ Equal rights of domestic and foreign investors
- ❑ Legal protection of investors. Guarantee of noninterference of Government in business
- ❑ Right of using and transferring abroad revenues and incomes (no exchange problem)
- ❑ Free property and information move (in/out)
- ❑ Intellectual Property Rights
- ❑ Right to use natural resources



Preferences for Investors

Income tax exemption:

- For 2 years, with investment amount between \$200K and \$500K;
- For 3 years, with investment amount between \$500K and \$2 mln.;
- For 4 years, with investment amount between \$2 mln. and \$5 mln.
- For 5 years, with investment amount of over \$5 mln.

VAT and customs duties exemption:

- Technical equipment and components;
- Goods for projects endorsed by the Government of Tajikistan;
- Goods for construction of Hydro-power stations and very important objects for Tajikistan;
- Goods for start ups doing full-cycle processing of cotton.



Forms of investment cooperation



Concession
Agreement

Public
Private
Partnership

Investment
Agreements

Production
Sharing
Agreement

INVESTMENT PROJECTS





Diverse Investment Opportunities



- ❑ Hydropower
- ❑ Mining sector and manufacture of construction materials
- ❑ Textile and food production
- ❑ Processing of primary aluminum
- ❑ Agriculture
- ❑ Transport and communication
- ❑ Tourism and service industry



Primary Aluminum Processing

- ❑ Opportunities: production of over 400 tons of primary aluminum;
- ❑ Market: developed countries;
- ❑ Preferences: VAT and customs duties exemption on import of technical equipment.





Agro Processing



- ❑ Opportunity: up to 20 percent of agricultural products are lost due to lack of storage and processing capacity;
- ❑ Market: CIS Countries and European Union;
- ❑ Preferences: Program of Export Promotion for Tajikistan until 2015.





Tourism



- ❑ Eco -Tourism;
- ❑ Health & Spa;
- ❑ Mountain Hiking & Hunting.
- ❑ Developing Tourism Infrastructure



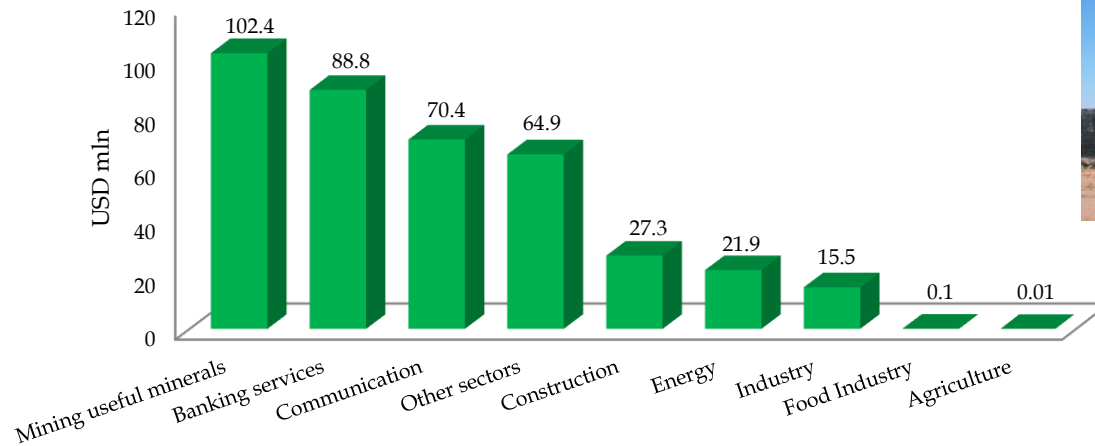
Mining Sector Investments

Companies invested in mining sector:

- **Gold Ore**
Zijin Mining - China,
JVC Aprelevka - Tajikistan & Canada
- **Development and Production of Oil and Gas**
Gazprom - Russia,
Tethys Petroleum - USA, Canada,
Somon-oil - Switzerland.
- et al.

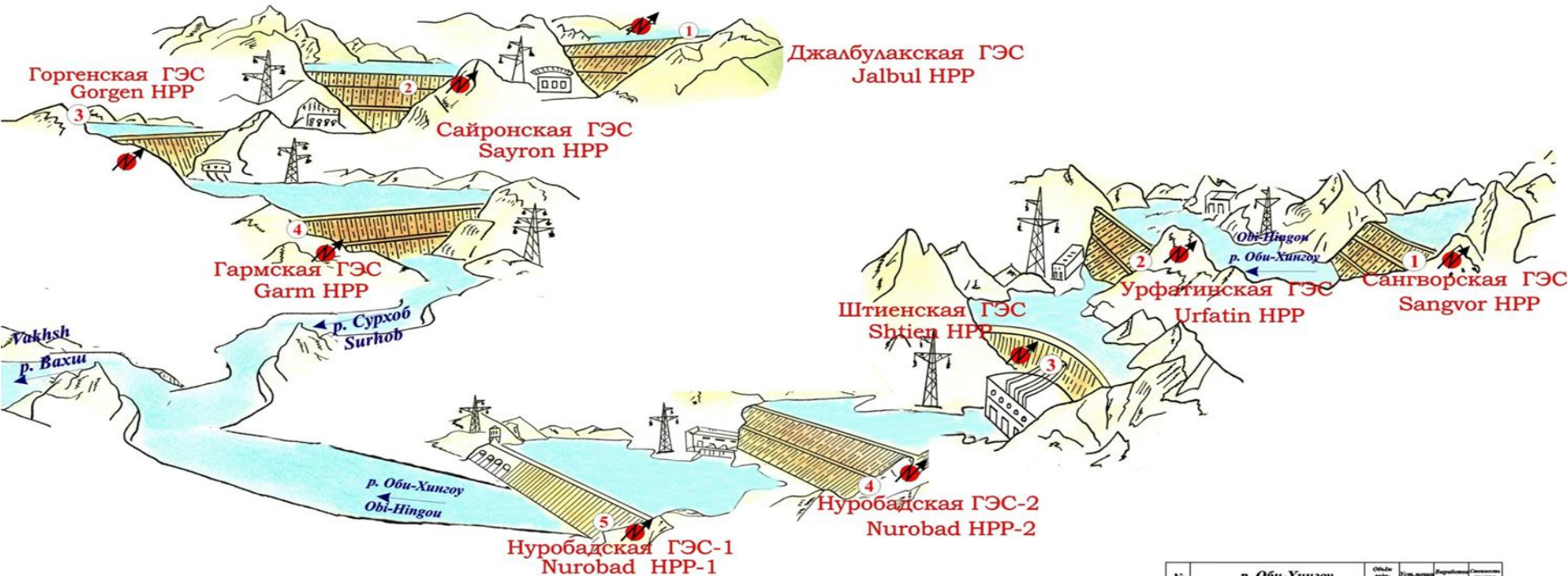


Direct Investments by sectors in 2012



The current Hydro energy situation and future perspectives

Использование гидроэнергоресурсов рек Сурхоб и Обихингоу. Hydro Power Plants on the Surhob and Obi-Hingou rivers.



№	р. Сурхоб	Объём водохранилища, км³	Устьевая мощность, МВт	Выработка энергии, млн. кВт·ч/год	Среднегодовая выработка, млн. кВт·ч/год
1	Джалбулакская ГЭС	1,4	600	2,0	480
2	Сайронская ГЭС	0,01	500	2,2	400
3	Горгенская ГЭС	0,02	600	2,7	480
4	Гармская ГЭС	0,02	400	1,8	320

№	Surhob	Water storage, km³	Installed capacity, MW	Max. net efficiency, %	Gen. net, MWh/yr
1	Jalbul HPP	1,4	600	2,0	480
2	Sayron HPP	0,01	500	2,2	400
3	Gorgen HPP	0,02	600	2,7	480
4	Garm HPP	0,02	400	1,8	320

№	р. Оби-Хингоу	Объём водохранилища, км³	Устьевая мощность, МВт	Выработка энергии, млн. кВт·ч/год	Среднегодовая выработка, млн. кВт·ч/год
1	Сангворская ГЭС	1,5	800	2,0	640
2	Урфатинская ГЭС	0,01	850	2,1	680
3	Штиенская ГЭС	0,01	600	1,5	480
4	Нуробадская ГЭС-2	0,02	200	1,2	190
5	Нуробадская ГЭС-1	0,01	160	0,96	330

№	Obi-Hingou	Water storage, km³	Installed capacity, MW	Max. net efficiency, %	Gen. net, MWh/yr
1	Sangvor HPP	1,5	800	2,0	640
2	Urfatin HPP	0,01	850	2,1	680
3	Shtien HPP	0,01	600	1,5	480
4	Nurobad HPP-2	0,02	200	1,2	190
5	Nurobad HPP-1	0,01	160	0,96	330































*INVESTMENTS FLOW THERE,
WHERE THEY ARE
WELCOMED AND STAY
THERE WHERE THEY FEEL
COMFORTABLE...*



Thanks for your attention!

CONTACTS:

State Committee on Investments and
State Property Management of the Republic of Tajikistan

27, Shotemur St., Dushanbe, Tajikistan

Phone: +992 37 221 57 29, Fax: +992 37 221 01 21

www.gki.tj

www.tajinvest-sue.tj

E-mail: info@gki.tj