

Unofficial translation

Ministry of Agriculture of the Republic of Tajikistan

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Dated: September 25, 2010

To: Deputy Prime Minister
Mr. Murodali Alimardon

Subject: Investment plan for Agriculture sector for the Republic of Tajikistan:
Proposed programs, associated actions and subsidiary measures for 2010-2015

I am glad to inform you that based on your instruction, the working group has been established to prepare the Investment plan for agriculture sector, which includes representatives from the Ministry of Labor and Social Protection, Ministry of Economic Development and Trade, Ministry of Finance, State Committee on Investment and State Property Management and representatives of Donor organizations – World Bank and FAO.

Draft of this document was prepared by the Ministry of Agriculture in cooperation with the Ministry of Land Reclamation and Water Resources. We submit the agreed final version of the developed Investment plan which reflects the proposed programs and subsidiary measures in agriculture sector for 2010 -2015 for your further review and consideration.

Sincerely
Minister

K. Kasimov

ANNEX 2: Food Security and Agricultural Development Objectives, Programs and Financing needs

PREPARED:

Ministry of Agriculture _____

Ministry of Economic Development and Trade _____

Ministry of Labor and Social Protection of Population _____

Ministry of Melioration and Water Resources _____

Ministry of Finance _____

State Investment Committee _____

Committee of Land, Geodesy and Cartography under the President _____

Agricultural Investment Plan for the Republic of Tajikistan: Proposed Programmes and Associated Measures for 2010-2015

№	Measures	Existing funding		Funding need (USD)	Funding gap (USD)
		External Funding (USD) ¹	Budget Funding (USD)		
Program 1: Access to Credit and Financial Support for all Types of Farms					
1.1. Facilitation of access of farms to bank credit					

1.1.A	Improve household and dehkan farm access to agricultural credit, including microfinancing (Establish the agricultural credit corporation)	97,190,000	15,000,000	200,000,000	87,810,000
1.1.B	Provide financial support to overcome production risks related to natural and other phenomena and develop crop insurance mechanism			14,500,000	14,500,000
1.2. Provision of targeted financial support to farms					
1.2.A	Provide financial support to support innovations in agriculture: related to renewal of fixed assets, introduction of new technologies, acquisition of new machinery and equipment, acquisition of mineral fertilizers, means for plants protection, etc.	22,613,000	3,370,000	47,613,000	21,630,000
1.2.B	Development and implementation of projects on accounting and financial centers for dehkan farms.			200,000	200,000
Program 2: Enhancement of the Technical Performance of Agricultural producers					
2.1. Enhance the development of key agricultural sectors					
2.1.A	Seeds: implementation of the seed-growing development program in the country. Support to existing seed producing farms, especially wheat and potato, and completion of the ongoing private sector-led seed sector development	3,000,000	5,230,400	9,000,000	769,600
2.1.B	Cotton: development and implementation of the cotton-growing development program.	30,290,000	1,128,000	43,890,000	12,472,000
2.1.C	Poultry: implementation of the poultry-farming development program.			17,200,000	17,200,000
2.1.D	Fisheries: implementation of the fishery development program.	67,000	200,000	14,800,000	14,533,000
2.1.E	Bees: implementation of the bee-keeping development program.	67,000	449,438	11,000,000	10,483,562
2.1.F	Livestock: implementation of the cattle-breeding development program, including establishing private insemination points in the communities, support to selection and bloodstock works	45,000		35,600,000	35,555,000
(I)	Horses: implementation of the horse-breeding development program.	56,000	168,539	8,900,000	8,675,461
(II)	Implementation of small cattle breeding development program, including support to selection and bloodstock activities			30,000,000	30,000,000

(III)	Pastures: improvement of the conditions, management and effective use of pastures. Development of fodder production	45,000	224,719	40,045,000	39,775,281
(IV)	Restructure the necessary infrastructure which will ensure development of livestock breeding.			22,000,000	22,000,000
(V)	Grant concessionary loans to support the development of livestock breeding.			45,000,000	45,000,000
(VI)	Design support systems to develop livestock breeding and satisfy the demand of farms for purebred stock.			2,000,000	2,000,000
(VII)	Livestock health improvement	4,500,000	540,000	23,840,000	18,800,000
(VIII)	Adaptation of agriculture production to climate change (diversification with new crops)			6,700,000	6,700,000
(IX)	Assistance to rehabilitation of arable land used to grow fodder crops, irrigation of lands which are used as rainfed (50 000 Ha)			14,000,000	14,000,000
2.1.G	Role of the Government in allowing farmers to function as free commodity producers and ensure the State provides and guarantees appropriate conditions for their activities (Implementation of the GoT Resolution 111)	500,000		2,000,000	1,500,000
2.2. Deepen the Land Tenure reform					
2.2.A	Ensure long-term land-use rights, encouraging farmers to invest in the sector, including specific tax concessions to promote long-term investment				
2.2.B	Restructure existing collective dehqan farms to individual farming structures and allow them to form farmers cooperatives and/or any forms of organisational structure they deem suitable/protection of land use rights by farmers.	43,675,000	5,932,585	53,675,000	4,067,415
2.3. Enhance the agricultural knowledge system					
2.3.A	Improvement of the Tajik agricultural knowledge system to ensure greater integration between research, extension and education and training.		180,000	2,180,000	2,000,000
2.3.B	Develop and establish local, regional and national Agriculture Information Centers, enabling farmers to access vital information regularly (<i>Ensure preparation scientific personnel in regard with modern scientific development of agricultural production</i>)		67,000	1,567,000	1,500,000
2.3.C	Establish scientific educational centers and retraining centers for highly qualified personnel in agriculture.			2,500,000	2,500,000

2.3.D	Develop incentive measures to attract smart young people to take up careers in agricultural research, education and dissemination.				450,000	450,000	450,000
2.3.E	Promotion of agriculture scientific research at the modern level			356,000	1,356,000	1,000,000	1,000,000
2.4. Improve the management of irural infrastructure and irrigation systems							
2.4.A	Reclamation of 24.4 thousand ha in Mirzoravot and Somgar massives in Gafurov district				47,500,000	47,500,000	47,500,000
2.4.B	Program of reclamation of new arable lands for 2008-2012			700,000	8,420,000	7,720,000	7,720,000
2.4.C	Reclamation of lands of Danghara valley (Phase 2)	26,970,000		3,510,000	47,000,000	16,520,000	16,520,000
2.4.D	Irrigation of land in Kulob district from Panj river			250,000	39,700,000	39,450,000	39,450,000
2.4.E	Irrigation network rehabilitation, including infarm	32,720,000		14,890,000	85,410,000	37,800,000	37,800,000
2.4.F	Facilitate to establish and financial stability of WUA for effective management of water resources	16,000,000		28,000	48,000,000	31,972,000	31,972,000
2.4.G	Technical and economic feasibility and implemetation of project of irrigation in Nurobod district				4,190,000	4,190,000	4,190,000
2.4.H	Project feasibility of Sebiston (former Almailik) canal in Tojikobod district				900,000	900,000	900,000
2.4.I	Planting of trees and bushes, crop rotation and other measures for better soil condition, erosion reduction and prevention from desertification				11,800,000	11,800,000	11,800,000
2.4.J	Rehabilitation of "Garaut" irrigation water supply system in Jilikul district			150,000	44,400,000	44,250,000	44,250,000
2.4.K	Management of water resources of Ferghana Valley and districts in Khatlon region.	28,394,000		1,170,000	59,564,000	30,000,000	30,000,000
2.4.L	Implementation of flood risk management project in Khatlon region.	34,480,000		6,500,000	77,980,000	37,000,000	37,000,000
2.4.M	Bank protection works			9,900,000	29,900,000	20,000,000	20,000,000
2.4.N	Introduction and implementation of River Basin Management of Water Resources				800,000	800,000	800,000
2.4.O	Implementation of irrigation management transfer from administrative to hydrological boundaries with clear division of roles and responsibilities between different stakeholders and water users				5,000,000	5,000,000	5,000,000

2.4.P	"Providing population of Tajikistan with pure drinking water for 2008-2020" program	25,400,000	1,820,000	82,020,000	54,800,000
Program 3: Enhance the marketing of agricultural products and food					
Program 3: Enhance the marketing of agricultural products and food					
3.1. Development of agricultural products and food marketing infrastructure					
3.1.A	Establish relevant infrastructure for sorting, packaging, marking, grading, certification, storage and selling of agricultural outputs on domestic and external markets.	6,155,000		11,155,000	5,000,000
3.1.B	Improve farms access to markets, review and revise current market regulations and ensure farmers access to regular and appropriate market information;	500,000		2,000,000	1,500,000
3.1.C	Arrangement and holding social-paid works for unemployed rural population			50,000	50,000
Program 4: Development of social protection mechanisms and safety net for rural population					
4.1.A	Implementation of Government sectoral and social-economic programs of regional development till 2015	8,968,000		13,968,000	5,000,000
4.1.B	Improvement/Enhancement of in-farm road infrastructure			3,300,000	3,300,000
4.1.C	Repair maintenance of in-farm electricity lines			2,000,000	2,000,000
4.1.D	Development of private services for support to agriculture production (veterinary, technical, trade etc)			5,600,000	5,600,000
	TOTAL	381,635,000	71,764,681	1,280,673,000	827,273,319

Projects with focus on agriculture

Organization	Project title	Amount	Implementation period
EU/ EBRD/ Frankfurt School of Finance & Management	TAFF Phase II	\$35,000,000	3 years
EU/ EBRD/ Frankfurt School of Finance & Management	TAFF II Credit lines to Partner institutions	\$35,000,000	ongoing
EU/ EBRD/ Frankfurt School of Finance & Management	Technical Assistance – Tajik Agricultural Finance Framework	\$6,743,000	
IDB	Small Credits for Rural Development in Tajikistan	\$10,000,000	
IDB	Reclamation of lands in Danghara valley (phase 2)	\$26,970,000	
IFAD	Improvement of living conditions of people living in Khatlon	\$12,300,000	
ADB	Sustainable Cotton Subsector Project	\$12,000,000	2007-2012
ADB	Rural Development Project	\$20,600,000	2007-2014
ADB	Khatlon Region Flood Risk Management Project	\$22,000,000	2007-2014
USAID	Water users Association Support Program	\$8,000,000	2004-2011
USAID	Land Reform Project	\$4,500,000	2010-2012
USAID	Productive Agriculture Project	\$9,800,000	2009-2014
USAID	Family Farming	\$28,000,000	2010-2014
EC/ IFC	IFC TAFBEP	€ 1,500,000	2010-2012
JICA	The Project for Improvement of Agricultural Extension Service through Reinforcing Agrarian Organizations	166000000 yen	2010-2013
UK Department for International development	Rural Growth Programme	DFID	
		UNDP CP	
		GTZ	
UNDP CP	Demonstrating local responses to combating land degradation and improving sustainable land management in SW Tajikistan	\$1,175,000	2007-2011
UNDP CP	Aid for trade	\$407,239	2009-2011
GTZ/PSD SED Programme	Private Sector Development / Sustainable Economic Development	\$2,360,000	2010-2012
World Bank	Community Agriculture Watershed Management Project	\$15,300,000	2004-2011
World Bank	Land Registration Cadastre System Project	\$10,000,000	2005-2012
World Bank	Ferghana Valley Water Resources Management Project	\$10,000,000	2010-2013

World Bank	Emergency Food Security and Seeds Import Project	\$6,250,000	2010-2013
World Bank	Cotton Sector Recovery Project	\$15,000,000	2007-2013
World Bank	Public Employment for Sustainable Agriculture and Water Resources Management	\$10,000,000	2010-2011
World Bank	Community Development Access to Quality Seeds	\$850,000	2010-2012
JSDf	Khatlon Region Flood Risk Management Project	\$2,000,000	
JSDf	Flood Risk Management Project	\$3,000,000	
EBRD	Khujand city water supply system improvement	\$8,004,000	2010-2012
EBRD	Improvement of water supply in southern cities (Kulob, Qurghonteppa and Dangara)	\$6,200,000	2010-2012
IDB	Dushanbe Water Supply Project	\$10,700,000	2010-2012
SECO/EBRD	Khujand city water supply system improvement	\$9,020,000	2008-2012
SDC	Tajikistan water supply and sanitation project (TajWSS)	CHF 4100000	2009-2012
SDC	Regional rural water supply and sanitation (UZB+ Tj)	\$3,900,000	2007-2012
SDC	Integrated Water Resources Management in the Ferghana Valley (UZB, TAJ, KG)	CHF 11350000	2001-2010
SDC	Canal automation in Ferghana valley (UZB, TAJ, KYR)	CHF 3162000	2003-2011
SDC	Regional Water Information Base CAREWIB (UZB, TAJ, KYR)	CHF 2879000	2003-2014
SDC	Swiss Support for Hydrometeorological services (UZB, TAJ, KYR, TUR, KAZ)	CHF 6440000	2001-2010
SDC	Water productivity improvement (UZB, TAJ, KYR)	CHF 4680000	2008-2014
SDC	Legal Aid for Land Reform (NetLAC)	CHF 2500000	2009-2012