



TAJIKISTAN

FAIZULLO KHOLBOBOEV, Governor

Let me thank the Asian Development Bank (ADB) for a good chance to great all participants of the 37th Annual Meeting of the ADB that is being held in such a marvelous part of the Asian continent. I believe this is symbolic due to the increasing role of the Asian region, the necessity of its sustainable development, and historical trends.

I would like to express special gratitude to the Korean Government for hospitality and support in organizing the today's meeting.

We consider the meeting as an important step in strengthening mutual cooperation and enhancing the solid relations of Tajikistan with ADB and other international financial institutions.

I am very pleased and satisfied to note that the assistance of international agencies, including ADB as one of the major donors and partners in development, allowed Tajikistan to gain considerable achievements in economic reforms and adjustment programs. The attained success provided a good opportunity to maintain sustainable economic growth and expand the capacity of the country to solve poverty-related problems in a planned manner.

The external debt problem has been mitigated. The problem limited Tajikistan's capacity to accelerate economic growth and reduce poverty.

The fruitful results were reached with the technical assistance of the IMF, Swiss Government, and ADB; with their support we continue to work on improving external debt management and updating the computerized database on all public external debt.

Economic growth continues; for the 1st quarter of 2004, GDP growth was 9.1%, compared to the same period of 2003, and inflation rate remained at 1%.

In the mid-term, with the expansion of the economic structural reforms, real economic growth will become more sustainable; its major flow is aimed at poverty reduction, laying the foundation of state policy in the country.

We highly appreciate the role and efforts of the Asian Development Bank as a major partner in implementing the Poverty Reduction Strategy. Cooperation with ADB in terms of prioritizing the current programs trends to enlargement.

As you are aware, 2003 was not an easy year for the whole world. The war in Iraq and the SARS outbreak led to serious uneasiness and uncertainty in the world,

which witnessed many disastrous events. The acuteness of problems being faced by developing countries constantly increases; and economic recession in some countries adversely affects, first of all, the poor.

It is not a secret that in order to maintain sustainable growth and further development, currently developing countries badly need broadened financing as the lack of internal resources does not allow them to settle poverty problems and achieve sustainable development independently and in a timely manner.

Taking into account shortage of internal resources and delays in project implementation, I would like to propose that the Board of Directors of the Asian Development Bank consider financing the development of developing countries without counterpart Government funding, or to minimize it.

I presume the mentioned measures would improve and speed up implementation of development projects. Authoritative agencies like ADB should take the initiative and do their best to erase fund deficits.

During this meeting, I wish to acknowledge ADB actions in developing regional cooperation within the framework of projects under implementation, and thank ADB for arranging regional meetings and conferences promoting solutions to many inter-state issues that frequently appear due to lack of coordination.

I hope that ADB's measures would be measured and bolstered by concrete steps directed at mitigation of the existing constraints using the geopolitical and economic capacities in the region. Leading actions of ADB in preparing and realizing regional projects in the Asia-Pacific Region should cover Central Asia, as well.

I am strongly convinced that international community will support projects benefiting not just one country, but the region as a whole.

Tajikistan would like to participate in regional projects funded through special funds for Afghanistan, taking an advantage of its capacity to positively influence the social and economic development of Afghanistan.

Tajikistan could begin establishing new economic relations for regional cooperation in Central Asian republics, and for that purpose we need the support of both individual countries and international financial institutions, specifically of the Asian Development Bank.

From our side, I want to assure you that the Tajikistan authorities will continue the policy aimed at advancing the openness of economy and deepening market relations.