ASSESSMENT OF SOCIAL SECTOR

1. This evaluation report on the performance of the Asian Development Bank (ADB) in Tajikistan’s social sectors (health and education) was prepared as part of the Tajikistan’s country assistance program evaluation (CAPE) for August 1998–October 2013 following a CAPE mission by ADB’s Independent Evaluation Department to the country on 27 June–5 July 2013.¹

A. Sector Context and Background

1. Government’s Development Policies

2. The government long-term national development strategy covers 2007–2015.² Tajikistan is also now implementing a living standards improvement strategy (LSIS) for 2013–2015.³ The main focus of the LSIS is on ensuring social and economic development and increasing the size of the middle class in the country. This replaces the previous government focus on poverty reduction and recovery that began after a civil war came to an end in 1997. The LSIS is based on the premise that Tajikistan has already made significant progress on reducing poverty and should now turn its attention to building up its middle class.

3. Migrant workers. Lack of job opportunities in Tajikistan and the ease of visa-free entrance to the Russian Federation have led to the migration of 1 million–2 million young male workers. Labor migrants send remittances of more than $3.0 billion home each year, and this now constitutes about 40%–45% of gross domestic product (GDP). Reliance on the remittance of earnings by migrants to the families they leave behind is a defining feature of Tajikistan’s economy and its society. It also underscores an economic dependence on the Russian Federation that is a continuation in another form of what existed before Tajikistan’s independence from the former Soviet Union in 1991.

4. Gender and development. Tajikistan ranked 96th out of 135 countries on the Gender Gap Index in 2012.⁴ The main issues are (i) a gender gap in education, particularly the comparatively low number of female students who continue school beyond basic education;⁵ (ii) inadequate social protection for women; and (iii) low political participation by women. More importantly, the large exodus of males to work abroad has exposed female family members left behind to serious socioeconomic hazards and risks. In many rural areas, women are left to farm alone, while also taking care of children, the sick, and the elderly at home. Human trafficking of women out of Tajikistan is seen as a growing problem. Unlike boys, girls are not likely to complete secondary education. The wages of women average less than one-half of those of men. Women constitute unutilized human capital in Tajikistan and are often engaged in the informal sector.

5. Governance and the political economy. Since 2000, Tajikistan has made progress on becoming a more democratic polity and a market-oriented economy, but its good economic performance is overly dependent on foreign remittances. Concern is also high over the acute security situation in neighboring Afghanistan and the movement of drugs to Tajikistan from Afghanistan. Corruption is commonly perceived to be widespread. Strengthening sustainable economic growth in the country is the single

¹ The mission comprised R. Sabirova (Evaluation Specialist, Independent Evaluation Department) and B. Prakash and A. Kataeva (consultants).
⁵ Covers grades 1–9 as a national requirement.
most important way to weaken divisive forces in its society and to strengthen social and economic development (footnote 3).

2. **ADB’s Country Strategies**

6. ADB’s 1998 economic report and interim operations strategy (ERIOS) identified health and education as two essential sectors in need of fresh investments. It noted that improvements in these two sectors would not only relieve hardship for the country’s people, but also help form human capital. ADB’s social infrastructure project approved in 1999 rehabilitated health infrastructure. The country strategy and program (CSP) for 2004–2008 continued the emphasis on health and education and envisaged that grant funds, rather than big loans, would be appropriate for such investments. Nonetheless, the CSP listed loans for a health sector reform project (HSRP) and as an education sector reform project, which were later approved.

7. **Country partnership strategy, 2010–2014.** ADB’s 2010–2014 country partnership strategy (CPS) turned away from the health and education sectors on the grounds that other development partners were active in them. Instead, the CPS focused on the transport, energy, and agriculture sectors. Consequently, the reform process that ADB had initiated under the first two country strategies in the health sector was discontinued.

8. ADB approved five social sector projects worth about $38.0 million during the CAPE period. Of these, three were financed by Asian Development Fund loans totaling $35.0 million and two by Japan Fund for Poverty Reduction (JFPR) grants totaling $3.0 million. All five were completed and have been rated successful in their ADB project completion reports (PCRs). These projects were approved and implemented in conjunction with seven TA projects for $2.4 million. Only the School Improvement Project has not been evaluated. Of the seven TA projects, three have been self-assessed in completion reports and rated successful. In this sense, the social sector has good track record at the project level.

**B. ADB’s Sector Strategies and Portfolio**

1. **Health Sector**


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6 ADB. 1999. Report and Recommendation of the President to the Board of Directors: Proposed Loan and Technical Assistance Grant to the Republic of Tajikistan for the Social Sector Rehabilitation Project. Manila (Loan 1705).
8 ADB. 2003. Report and Recommendation of the President to the Board of Directors: Proposed Loan and Technical Assistance Grants to the Republic of Tajikistan for the Health Sector Reform Project. Manila (Loan 2054); ADB. 2003. Report and Recommendation of the President to the Board of Directors: Proposed Loan and Technical Assistance Grant to the Republic of Tajikistan for the Education Sector Reform Project. Manila (TA 4267 and Loan 2053).
10. The government’s spending on health is about 2% of GDP. The MOHSP has sought to provide equitable access to medical services, especially to the poor and the vulnerable, by introducing a basic benefit package of health services in 2004 and updating it in 2009. It provides a list of approved medical services that vulnerable and poor families can obtain for free. Those who fall under the category of vulnerable population need to pay only a minimum amount for a second list of services under a co-payment program. However, the CAPE mission was told that the poor continue to bear the burden of paying as much as 60%–70% of the costs of these services, often using funds from remittances. Those who cannot afford to pay often go without health care.

11. **ADB operations in health sector and sector analysis.** Under ADB’s 2003 HSRP, a bold attempt was made to reform the health sector in Tajikistan. A foundation for a family medicine approach was laid in five districts of the country. Doctors and nurses were given training in family medicine, and regional centers were provided with the necessary equipment. The HSRP tried to steer Tajikistan’s health system away from the hospital-based system it inherited from the former Soviet Union upon independence and toward a primary health care system focusing on family group practice. The JFPR grant supplemented the HSRP and replaced some of the loan funds at the government’s request. The HSRP supported a prioritization of primary health care services, introduction of per capita financing, the development of a family medicine approach, and improvements in drugs and supplies management. Two advisory TA projects aimed to strengthen planning and policy capacity in the health reforms and to develop drug procurement strategies. Its PCR rated the HSRP successful. A 2009 ADB implementation completion memorandum rated the JFPR grant project successful. Although ADB discontinued support to the health sector after this, government officials told CAPE mission that ADB’s packaged approach through a loan, TA, and grant supported the health sector in a balanced and correct way.

12. **Rapidly changing epidemiology.** Due to neglect and inadequate treatment since 2010, disease patterns in Tajikistan have been producing complex cases, particularly among the poor, the young, and women of reproductive age. It has become more difficult to treat infectious and waterborne, communicable, or non-communicable diseases, particularly tuberculosis, typhoid, and HIV/AIDS. The number of patients with conditions of multiple drug resistance is also increasing rapidly in the country. This results when treatments are frequently interrupted, often when a sick worker leaves the country to look for a job in the Russian Federation.

13. **Challenge of restructuring health systems.** Development partners continue to support the country’s health sector. They include the Global Fund to Fight AIDS, Tuberculosis and Malaria; the World Bank, Swiss Development Cooperation; and the United States Agency for International Development. Support for the health sector is featured prominently in the joint CPS for 2010–2012 agreed by many of Tajikistan’s development partners, including ADB. However, only a few can help initiate extensive sector-wide restructuring of the health system, because their funds for capital investments are limited. The government’s own financial resources continue to be diverted into

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12 The minimum amount is defined and prescribed under the basic benefit package (BBP) for hospital services introduced in 2004. It involves a simple co-payment structure and exemptions for vulnerable groups. The updated 2009 BBP established 10 formal co-payment categories for hospital services. It set minimum payments by vulnerable people, as well as exemptions. Exempt populations are also entitled to a limited subsidy on a set of prescription drugs. The BBP includes mechanisms to promote efficiency in resource allocation, such as mandatory referral from primary care physicians to obtain services from specialists or hospitals free or with a co-payment. Although it was implemented with limited resources, the BBP has to some degree mitigated the level of informal co-payments from the population.

13 ADB. 2004. *Grant Assistance to Tajikistan for Community Participation and Public Information Campaign for Health Improvement*. Manila (Grant 9043-TAJ).

14 Attached to ADB. 2003. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Technical Assistance Grants to Tajikistan for the Health Sector Reform Project*. Manila (TA 4268 and TA 4269).


infrastructure investments. An assessment of aid effectiveness sponsored by development partners in 2009 noted that a financing shortfall gap in the health sector was an obstacle to Tajikistan’s efforts to achieve its Millennium Development Goals (MDGs).\footnote{Aminjanov, R., M. Kholmatov and Firuz Kitaev, 2009. Case Study on Aid Effectiveness in Tajikistan, Working Paper No. 13, Washington, DC: Wolfensohn Center for Development at Brookings.}

14. The MOHSP has set up extensive administrative systems to plan, review, and monitor health services. The LSIS fully details all that needs to be done in the health sector, but the MOHSP lacks financial resources to launch comprehensive reforms. Unaddressed, the longstanding inefficiencies in the system, such as weak staff and institutional capacity, continue to debilitate the health sector by making poor use of the limited resources. The use of contraceptives is declining because of declining service; consequently, fertility rates are up. Despite improvements in maternal and child health, the country is expected to miss the MDG targets for child mortality, maternal health, as well as HIV/AIDS and tuberculosis. Tajikistan is likely to achieve the MDG related to malaria, but this is not a widespread disease in the country.

15. **Financing reforms in health services.** Financial reforms in the health sector are tied up with the government’s plan to devolve functions to the provincial (oblast) and lower local government levels, using per capita funding. The government leans heavily on development partners to finance health services. External assistance funds a large part of the overall costs, including some administrative overhead. This has forced some of Tajikistan’s external partners to align this support and the underlying financial mechanisms. The dependence on development partner funding has led to an uneven and sometimes disrupted flow of financing due to different approval cycle of different donors, which in turn is particularly damaging to the health sector. Complementarity in different investments is critical to achieving health outputs and outcomes.

16. **Rallying for enhanced support.** In 2011, an International Monetary Fund Article IV consultation mission reported that the government was not investing sufficiently in the social sectors, but instead using the enhanced financial resources that were available to it for capital investments in the transport and energy sectors. Development partners had expressed a similar concern in their joint country partnership strategy in 2009. The LSIS heavily favors energy and transport infrastructure investment. Only 6.8% of the program is directed toward the social sectors. In the medium and long terms, this limited spending could further weaken human capital and threaten the continuation of Tajikistan’s high economic growth.

17. **ADB’s withdrawal from health.** After ADB’s Social Sector Rehabilitation Project (SSRP) was completed in 2005, the HSRP was to support the government’s health reform agenda, which would have been in line with the priorities under the 2004–2008 CSP. However, ADB’s Strategy 2020, adopted in 2008 as its paramount long-term strategic framework, did not include health as one of five core areas of operations and ADB withdrew from the health sector in Tajikistan after completing the HSRP in 2009.\footnote{ADB. 2008. Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank, 2008–2020. Manila.} Nonetheless, the health sector still needs support for further reforms to ensure inclusiveness and to improve health outcomes. ADB could have done more to continue to support the health sector through indirect interventions with grant funds for improving health outcomes. This could have been achieved, for example, by targeting reduction in waterborne diseases through projects to improve water supply infrastructure. The high prevalence of poverty in Tajikistan, the changing epidemiology, lagging performance on the MDGs, importance of gender-related issues, and the weak regulatory framework are the sector’s present challenges. The health sector needs a comprehensive assessment, including an assessment of the funding required to meet the huge needs for policy reform and capacity strengthening.

18. **Accessing health services through infrastructure.** ADB returned to Tajikistan’s health sector in 2013 through its approval in March of a project financed by a JFPR grant. The project’s primary
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objective is to improve maternal and child health results for isolated rural communities in the Rasht District, where health services are poor and knowledge of ways to promote good health is limited. 20

2. Education

19. **Government policy.** The government’s national education development strategy (NEDS), which runs up to 2020, defines its policy and role in the development of the education sector. 21 The NEDS priority aims include modernization and structural changes in the education system and access to quality education. The challenges are the government’s limited capacity to plan and manage education development, mobilize financial resources, and develop better linkages between education and employment opportunities and needs in the labor market. The government restarted preschool education since 2005, and emphasizes vocational education at different levels of schooling. Government policy under the NEDS emphasizes the need to shift from a knowledge-based to a competency-based education system. Education is currently constrained by a severe shortage of qualified teachers. As a result, student test performance has been declining.

20. **ADB operations in the education sector and sector analysis.** ADB supported the government in rehabilitating Tajikistan’s education and health sectors under the SSRP (footnote 6). The project provided the urgently needed reconstruction and upgrading of school buildings and generally restored the normal operations of the education system in the country. However, the main contribution to the reforms agenda by ADB was made under its Education Sector Reform Project (ESRP), which was supported by two advisory TA projects and the JFPR on ADB’s School Improvement Project. 22 The ESRP aimed to support the Ministry of Education and Science in developing, costing, prioritizing, and initiating a national education development framework to improve the efficiency, equity, and quality of primary and general secondary education. The ESRP emphasized system efficiency and underlined the need for improving management to make the education system more affordable and sustainable. The project sought to strengthen policy and planning capacity and key aspects of management efficiency related to pedagogical renewal, financial management, and management reorganization. The improvements aimed to enhance access to education, school completion rates, and the quality of the schooling. The ESRP focused on five pilot school districts. After it was completed in 2010, ADB’s PCR rated it successful. 23

21. **Decline in the education services.** Tajikistan’s educational outcomes are lower than before independence in 1991. Many of the education system’s better-educated and better-skilled personnel have gone abroad, and the country is producing an insufficient number of secondary school graduates with an inadequate level of teacher training to replace them. The United Nations Development Programme estimated in 2011 that only 83% of the country’s children reach the upper secondary school level (grades 10–11). In remote mountainous regions, students do not attend school regularly, especially during winter due to problems of transport and electricity and heating shortages. The poor quality of education in turn makes many school graduates unemployable and unable to help fill the demand for skilled workers. The quality of education is better in urban centers than in rural areas.

22. **Change in educational administration.** Beginning in 1994, the central government has devolved the function of providing education and looking after the educational institutions to regional and

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20 ADB. 2013. *Proposed Grant Assistance to Tajikistan for Improved Mother and Child Heath through Connectivity.* Manila (Grant 9171). The ongoing project is linked with the transport sector, and the MOHSP is the implementing agency for health components. Access to health services is constrained because the only bridge connecting the communities to the district center was destroyed by floods. The project seeks to (i) rehabilitate the 66-meter bridge over the Sarbob River and construct 18 kilometers of rural roads linking five jamoats with the district center, and (ii) promote the use of health services and nutrition practices in communities.


22 ADB. 2003. *Proposed Grant Assistance to Tajikistan for the School Improvement Project.* Manila (Grant 9040).

district administrations. However, budgetary resources and capacity of these levels are extremely limited. Alongside devolution, the government also provides funding on a per capita basis. The local administrations and parents can add to the per capita funding, depending on their ability and willingness to pay for education. Parents in Tajikistan are required to contribute significantly toward the cost of education. Schools are given some autonomy in financial management, and this has helped improve school management. The per capita funding model capped the government’s overall financial support for education, but, to its credit, it has gradually increased the resources it provides to the education sector. Government spending on education was about 5% of GDP in 2013 (footnote 3). More importantly, no arrears related to salary, social payments, or stipends were on the central government’s books.

23. The education sector administrative overheads at the national government level are now disproportionately large when compared with the central’s government’s reduced responsibilities. At the same time, capacity at the lower administrations that are now mostly responsible for education services is weak or non-existent, particularly in the areas of responsibility and tasks that have been passed down to them. New educational administrators with more training, skills, and abilities are required at the regional and lower levels to build on the earlier efforts of the ESRP.

24. **Curriculum, textbooks, and teacher training.** The curriculum was revised after independence in 1991 to reflect the new national realities. Textbooks needed to be rewritten and teachers trained on the revised curriculum and in the use of curricular materials. An acute shortage of modern curricular materials in the Tajik language existed since 2004 ADB helped develop new curricular materials and provide teacher training during 2004–2010 under the ESRP.24

25. **Education infrastructure.** The education sector’s capital infrastructure needs to be revamped and expanded. This includes school buildings and is particularly true of their heating, water, and other utilities. Many of the large old buildings are difficult to maintain and a drain on the inadequate resources. The sector requires a separate capital expenditure budget. About 48% of schools, which serve about 36% of the country’s schoolchildren, need to be rehabilitated.

26. **Unemployment, out-migration, and the shortage of skills.** Worker migration continues to deplete the long-term skills base of Tajikistan’s economy, and the deteriorating education system is not in a position to produce quality graduates to make up for loss of skilled workers who go abroad. This also means that many school graduates who cannot get foreign jobs remain unemployed and discouraged at home. Tajikistan also has widespread shortages of people with the high level of training and the professional skills required to meet its basic development needs, especially medical doctors and nurses. These skills shortages are now damaging prospects for foreign investment and continued economic growth.

27. These shortages and the continuing large out-migration of male workers make it all the more important that Tajikistan provide good education for its girls and women, who constitute a major, largely untapped potential source of valuable skills for the domestic economy. They also perform better academically in schools. Yet the CAPE found in discussions with decision makers that they had still not recognized or accepted that females should be given more and better education and play a greater role as educated and qualified personnel in the economy. Some observers told the mission that education for girls is not taken seriously by the Ministry of Education and Science.

28. **Vocational education and technical training.** The government values the ability of young men and women to be able to work with their hands and to have vocational skills. Hence, it has launched a major campaign to support vocational education and technical training and is seeking development partner assistance in the effort. Those who drop out from basic education schools (footnote 5) and

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24 ADB. 2003. Report and Recommendation of the President to the Board of Directors: Proposed Loan and Technical Assistance Grant to the Republic of Tajikistan for the Education Sector Reform Project. Manila.
students who graduate but cannot continue in school afterwards are regarded by the government as the potential clients for a program known as primary professional education. The government has set up adult training centers for the purpose. ADB is currently involved in preparing a project in this subsector.

29. Involvement of the private sector in education. The government is interested in increasing private sector involvement in education by establishing fee-charging schools or through public–private partnerships for the construction of schools, especially in urban centers. It sees this as a way of reducing the burden on public resources of education spending. The International Finance Corporation is examining the feasibility of private sector participation in Tajikistan’s education system, but a large-scale private sector involvement is considered unlikely under the current conditions. However, new financial instruments and securitization to better utilize incoming remittances need to be created and deployed for human capital development.

30. Development partners. The World Bank has been working on education. It is overseeing Global Partnership for Education grants made to Tajikistan, mainly for primary education, with a smaller portion going to basic education. Germany’s GIZ supports government vocational and technical training for graduates, school drop-outs, and adults. The United States Agency for International Development is helping improve the curriculum and the reading comprehension of students, particularly in elementary school. The Japan International Cooperation Agency is involved in training and capacity-building activities. The United Nations Children’s Fund provides overall coordination of development partner support in the education sector.

31. ADB’s withdrawal from education. ADB was preparing a follow-up education project after completion of the SSRP in 2005 and the ESRP in 2010 to support the government’s reform agenda in the sector. This was in line with the fact that education is one of ADB’s five core operational areas under Strategy 2020 (footnote 19), approved in 2008. ADB Management decided in 2010 to select other sectors for support, however. The project, which would have also scaled up pilot district achievements delivered under the ESRP, was cancelled. This abrupt withdrawal of ADB from the education sector had been indicated first in 2004–2008 CSP and was formalized in the 2010–2014 CPS. It had several implications, one of which is that the reforms to restructure the education sector remain incomplete.

C. Evaluation of Sector Performance

32. The evaluation findings in this report cover only the health and education sectors. The social protection sector is included under the public sector management assessment. The ratings are based on the guidelines for preparation of CAPEs25 and cover several criteria: strategic positioning, program relevance, efficiency, effectiveness, sustainability, and development impacts. References to project-specific issues are essentially illustrative.

1. Strategic Positioning

33. Health sector. ADB’s health sector efforts during the 1998–2003 ERIOS and its updates were strategically relevant to the country’s development needs at the beginning of the CAPE period. ADB’s support was crucial to rehabilitating the system. The restoration of health sector services was also in accordance with the priorities of the government and its development plans to meet an acute development need of the people after nearly a decade of turbulence in Tajikistan.

34. The HSRP was approved in 2003, before the 2004–2008 CSP came into effect. While the CSP noted the HSRP approval and ongoing implementation, the support to the sector was identified early

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on to be discontinued after the 2004–2008 CSP. The withdrawal from the sector in 2009 was done without making the arrangements necessary to ensure sustainability of the outcomes of the completed interventions. The reforms that the HSRP had launched were long-term in nature and supported by two advisory TA projects. However, because ADB’s involvement did not continue after HSRP, these reforms remained incomplete. The withdrawal was in line with ADB’s Strategy 2020, which does not include health among ADB’s core areas of operation, but ADB Management also assumed that other development partners would carry on with health sector reform even without ADB’s involvement. This assumption proved to be misplaced.26 In this regard at least, ADB’s withdrawal from the health sector was a failure in strategic positioning. The government’s health sector objectives and associated reforms are still in a state of suspension and dormancy today. This assessment rates ADB’s strategic positioning in the health sector less than satisfactory.

35. Education sector. ADB’s education sector support went through a similar cycle. ADB interventions in the sector were initially in line with government’s development plans and priorities. It was well supported under the ERIOS through the SSRP, followed by the ESRP. The ESRP under the 2004–2008 CSP focused on the government’s 2002 Concept on Education. It was relevant because it helped stop the widespread decline of the delivery of education services in the country. The ESRP was designed to undertake several structural reforms in the sector and the rehabilitation of school infrastructure in the poorest rural districts. It was supported by two advisory TA projects. One aimed at helping the Ministry of Education and Science improve its annual planning, budgeting, and overall decision-making capacity.27 The other sought to strengthen the ministry’s capacity to use information from the education management information system (footnote 24). The ESRP was also supported by a JFPR grant focusing on school improvements and strengthening teacher–parent associations in five districts. Education sector interventions sought to ensure equitable access for all, raise school completion rates, and improve the quality of education. However, the withdrawal of ADB from the education sector left the restructuring of the education sector incomplete. This assessment rates the strategic positioning of the education sector less than satisfactory.

2. Program Relevance

36. Health sector. ADB’s Health sector interventions were designed to focus on rural districts and target the poorest villages. The components and activities were well chosen, and ADB’s support in rehabilitating the health infrastructure was coordinated well with other development partners. At government request, the JFPR resources supplemented some of the loan funds to finance the project components, while other development partners supported the provision of consumables, drugs, vaccines, and technical assistance. The design of these ADB interventions, however, did not reflect the emphasis on a results framework with indicators and targets against which performance could be monitored that became more widely used and vigorous later. This assessment rates the health sector program relevant.

37. Education sector. ADB supported the education sector through 2 projects, financed by a loan and a JFPR grant, and three TA operations. The ESRP was designed to undertake several structural reforms in the sector and to rehabilitate school infrastructure in the poorest rural districts. The ESRP was supported by two advisory TA projects (para. 20). This assessment rates the education sector program relevant.

26 ADB’s support in the sector, together with that of the World Bank, was quite substantial in terms of the scale of the reform agenda and financing during 2004–2008. When ADB declared on exiting the health sector that other development partners would still be working in the sector, it did not calculate that ADB had been one of the major players in the sector and that other development partners, apart from the World Bank, were comparatively smaller bilateral agencies and nongovernment organizations.

3. Effectiveness

38. Health sector. The HSRP aimed to improve the health of Tajikistan’s people, particularly the poor, women, and children. It sought to (i) raise management capacity in the health sector and make the system more efficient by strengthening and reforming institutions; (ii) increase equitable access to and use of quality basic health services by the poor, women, and children; and (iii) support informed policy dialogue to pursue reform. The health service delivery improved throughout the country. Initially, the health sector projects produced their intended outputs, including the restoration of buildings, the running of medicinal clinics, the training of doctors, and the introduction of new payment modalities. More than 600 doctors were trained in family group practice. Sixty health facilities were rehabilitated and provided with equipment and consumables. The Republic Medicine and Procurement Center was established. A legal framework for licensing and accreditation of pharmacists and pharmacy premises was established. Two regional warehouses for storing drugs were built. Special equipment was provided for testing drugs and quality control. These outputs yielded some positive outcomes in the piloted districts. However the health sector’s outcomes were not achieved, because ADB decided to exit from the health sector under the 2010–2014 CPS and the originally envisaged health reforms remained unfinished (paras. 12–15). The health system continues to have excessive personnel, especially at the top. Large hospitals are largely dysfunctional and costly to operate. The staff lacks basic skills and is underpaid. These issues undercut efficiency, and measures to augment efficiency remain pending due to ADB’s withdrawal from the sector and the fact that other development partners have not taken its place (paras. 16–17). The assessment rates ADB health sector operations less than effective.

39. Education sector. ADB’s program during the CAPE period aimed to restore and improve the education sector under the SSRP. It also sought through the ESRP to contribute to poverty reduction by improving equitable access to and quality primary and general secondary education and to improve completion rates. Two advisory TA projects aimed to strengthen the Ministry of Education and Science’s annual planning, budgeting, and overall decision-making capacity and to enable it to make good use of information from the education management information system. However, not all outcomes were achieved as intended because they were not pursued. ADB project outputs included the completion of the rehabilitation of selected schools and the supply of furniture and equipment. The increase in the enrolment of students targeted in under the Project did not take place, although completion rate of girls at the basic education level (footnote 5) improved significantly. Tajikistan needed to recast its educational curriculum to reflect its new status after 1991 as an independent nation. Hence, the project outputs included curriculum development and production of teaching and learning materials, although for only two subjects. Other curriculum subjects were not covered because ADB withdrew support and no domestic resources or assistance were provided to complete the process. The response of the government and the education institutions to policy planning efforts and management reforms was slow, and more time was need for the authorities in the sector to accept and implement them. The original intended outcomes remained unrealized. Expenditure on overheads combined with a low student–teacher ratio persisted in the sector. To improve this situation would have required continued emphasis on structural reforms in the sector, but ADB exited the sector prematurely. The assessment rates ADB education sector operations less effective.

4. Efficiency

40. Health sector. Unlike in most other ADB operations, the economic internal rate of return and the financial internal rate of return are not usually estimated or applied when evaluating ADB’s health sector projects. However, the operational performance of the health program was good. The office of the president directly oversaw the implementation of interventions in the health and education sectors. As a result, ADB projects encountered no impediments to implementation, no delays, and no cost overruns. Capacity-building measures were introduced under these projects, along with improvements to increase long-term efficiency. While some of these improvements remained in place after
completion, sector efficiency has been tapering off in the absence of continued reforms. This is an effectiveness issue, however. The assessment rates the health sector program efficient.

41. **Education sector.** The education sector interventions were generally implemented well. The ESRP supported school mapping and education management information systems. The executing agency performed well and was supported by the associated TA. The assessment rates the education sector program efficient.

5. **Sustainability**

42. **Health sector.** Sustainability is more at risk in the health sector than in any other in which ADB was involved during the CAPE period. The government’s allocation to health remains under 2% of GDP. A disproportionately large share of this is dissipated on personnel, and little or nothing is left for operation and maintenance or any kind of improvements in service delivery. This hazard was not unforeseen. The completion report on the 2004–2008 CSP noted the fact that after ADB’s planned withdrawal from the sector the sustainability of the improvements under its previous investments might be in jeopardy because government health spending was low. The report stated that “concerns remain about the continuation of recurrent expenditure funding after ADB withdraws from a sector, specifically in the health and education sectors.” Staff and institutional capacity remain weak at the Ministry of Health and Social Protection, and the capacity of medical staff at hospitals is also still poor. A field visit by the CAPE mission in 2013 indicated that several well-constructed, fully staffed primary health centers constructed under ADB loans lacked drugs and other consumables. The outputs of ADB’s health sector projects are in danger of being eroded. The assessment rates sustainability of the health sector operations less likely.

43. **Education sector.** Education is a priority of the government, which wants to have an education system that is on a par with international standards. The government has shown this commitment by slowly but steadily increasing its allocation of financial resources to the sector. It has also increased teachers’ salaries, although they continue to be the lowest in Central Asia. Education expenditure now accounts for about 5% of GDP. The downside is that much of the enhanced expenditure is spent on salaries and the school system continues to be wasteful and in need of major reforms. The major challenge to sustainability is the fact that the decision makers lack knowledge and skills on education policy planning. The assessment rates sustainability of the ADB program in the education sector likely.

6. **Development Impacts**

44. **Health sector.** ADB interventions contributed to positive human development impacts on health in Tajikistan. Restoration of health delivery services after the country’s civil war brought relief to the population, especially to the poor, the elderly, women, and children. In addition to bolstering service delivery, ADB interventions also resulted in improvements in capacity and institutional development in the sector. ADB introduced such financial reforms as co-payment between government and vulnerable users for health services in a pilot district (para. 10). ADB laid the ground for the adaptation of this approach across the country. However, the withdrawal of ADB support for the sector under the 2010–2014 CPS ended ADB’s development impacts on health prematurely. Tajikistan continues to lag behind or fail to improve on health-related MDGs. Overall, the government spends less on health than on any other sector, and it relies heavily on its development partners to fund even this low level of expenditure. Some development partners do work in these sectors, but the scope of the efforts and financing they can provide is also limited. This assessment rates the development impacts in the health sector less than satisfactory.

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28 In 2010 a regional development bank, the Eurasian Development Bank, provided a $70 million budgetary support loan to Tajikistan for maintaining government financing for health and education.
45. **Education sector.** The education sector needed to be rationalized and reconfigured to suit the natural economic resources of the country. ADB’s involvement early on in the 1998–2013 CAPE period facilitated restructuring and laid down a rational basis for the changes. This was based on a school mapping exercise and the poverty index. The government took initial steps for structural changes in 1996 by reducing basic education from completion of grade 11 to the end of grade 9. It also devolved the responsibility for providing education down to the regional and lower levels of government. Finally, it introduced per capita financing to cap its own financial obligations for education. ADB’s involvement through its lending and non-lending projects ensured that changes were coherent within the sector. Field-level contributions were supported by two JFPR projects provided to the social sector. However, ADB had taken only the first few steps in a long process when it withdrew support under the 2010–2014 CPS. Crucial reforms remain interrupted. Gender education MDGs are not being achieved. This assessment rates the development impacts in the education sector borderline satisfactory.

7. **Overall Evaluation**

46. ADB’s self-evaluations in completion reports have rated individual projects and TA operations in the health and education sectors successful, and Independent Evaluation Department assessment have confirmed some of these ratings in validation reports. However, when ADB’s subsequent exit from these sectors is considered, this assessment found that the rating for the overall CAPE period should change. Other development partners did not make up for ADB’s exit from the two sectors. The 2004–2008 CSP stated that ADB would return to these sectors if it saw that the sectors were not performing well, but this has not happened. The table summarizes the CAPE ratings in the social sectors. As a whole, ADB’s performance in the social sectors is rated less than successful.

**ADB Performance Rating in Tajikistan’s Social Sectors, August 1998–October 2013**

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Share (%)</th>
<th>Strategic Positioning (10%)</th>
<th>Relevance (10%)</th>
<th>Efficiency (10%)</th>
<th>Effectiveness (20%)</th>
<th>Sustainability (20%)</th>
<th>Development Impacts (20%)</th>
<th>Overall Sector Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health</td>
<td>46</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1.30 (LS)</td>
</tr>
<tr>
<td>Education</td>
<td>54</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>1.70 (S)</td>
</tr>
<tr>
<td>Weighted average rating</td>
<td>1.00</td>
<td>2.00</td>
<td>2.00</td>
<td>1.00</td>
<td>1.54</td>
<td>1.54</td>
<td>1.51</td>
<td>Less Successful</td>
</tr>
</tbody>
</table>

ADB = Asian Development Bank.

Note: A rating score is 3, 2, 1, or 0, corresponding to a rating of highly successful (HS), successful (S), less than successful (LS), or unsuccessful, respectively (US).

4. The evaluation scoring system rates the overall sector performance based on the following criteria: (i) if the overall weighted average score for criteria combined is greater than or equal to 2.7, then the overall performance is **highly successful**; (ii) if it is less than 2.7 but greater than or equal to 1.6, then the overall performance is **successful**, (iii) if it is less than 1.6 but greater than or equal to 0.8, then the overall performance is **less than successful**, and (iv) if it is less than 0.8, then the overall performance is **unsuccessful**.


D. **Conclusion: Lessons and Suggestions**

1. **Lessons**

47. The evaluation identified the following main lessons:

(i) **Social sector reforms still unaddressed.** ADB began with a cogent country-specific strategy in the 1990s but gave priority to other sectors after 2004. Since then, needed social sector reforms in Tajikistan, especially in the health and education sectors, have not been addressed (para. 30). Other development partners have not been able to
make much progress on these pending issues because they are not included in their chosen scope of activities or they do not have the necessary funds to do so.

(ii) **Preserve and build further on pre-existing comparative advantage.** ADB’s country strategy could have built further on the country’s human capital resources. Now Tajikistan is suffering from a severe shortage of skills across all sectors, but the younger generation is not being provided with the education and training that would help fill it. In this, this generation is worse off than its predecessors. This situation makes Tajikistan unattractive to foreign investment, and it is an obstacle to the government strategy of developing the country’s private sector (para. 19). ADB has a comparative advantage of providing well-balanced support to the government (para. 11).

(iii) **Need to support an active gender development strategy.** ADB’s country-specific gender strategy has failed to take advantage of skill shortages to create a special role for empowering women and enabling their participation in the development in the country through improved access to education (para. 27).

(iv) **Better use of remittances for educational development.** Currently, remittances have eased the country’s financial situation. Remittances need to be deployed for purposes of economic development as well as social protection though the development of new financial instruments and securitization (para. 29).

2. **Suggestions**

48. This assessment report offers the following suggestions based on the sector evaluation findings and analysis:

(i) ADB should consider prioritizing the completion of unfinished reforms in the health and education sectors in the next CPS strategy. It could do this by taking stock of changes in the sector contexts; undertaking in-depth sector analysis; and the basic education, and technical and vocation education priorities. ADB could explore closer partnerships with other development partners to achieve larger social sector impacts.

(ii) ADB and the government can strengthen capacity of staff at all levels to implement structural reforms in the health and education sectors for improved management and delivery of social services through a set of cluster technical assistance provided by the public sector management support.

(iii) ADB should address gender issues in operations in Tajikistan because they promise significant returns, relieve shortages of educated and skilled personnel, and ensure the inclusive growth.

(iv) ADB could explore development investment avenues, financial instruments, and long-term capital markets to make meaningful use of incoming remittances in productive sectors. For example, remittances could be used to help finance independently run education, health and infrastructure bonds, etc. This could be explored through the private sector operations interest and possibilities.