With some of the world’s highest mountains covering 93% of its territory, Tajikistan faces obstacles to its development, including food insecurity, limited transport connectivity, and low levels of private investment. Due to its narrow economic base and reliance on remittances by labor migrants, Tajikistan’s economy remains vulnerable to external shocks such as the global economic impacts of the coronavirus disease (COVID-19) pandemic.

The Asian Development Bank (ADB) has partnered with Tajikistan since 1998. ADB’s investments in the country have emphasized diversifying the economic base and improving the investment climate to create jobs with higher incomes. ADB has helped Tajikistan to improve its transport, energy, and municipal infrastructure. The bank has also supported the upgrading of labor force skills and improvements to food security.

ADB’s investments in Tajikistan have emphasized diversifying the economic base and improving the investment climate to create jobs with higher incomes.

TAJIKISTAN

Since 1998, ADB has committed $1.63 billion in grants, $498.4 million in concessional loans, and $66.6 million in technical assistance for Tajikistan. Cumulative loan and grant disbursements to Tajikistan amount to $1.44 billion. These were financed by concessional ordinary capital resources, and the Asian Development Fund.

**ADB-SUPPORTED PROJECTS AND PROGRAMS**

To support Tajikistan in its fight against COVID-19 and help limit the impacts of the pandemic on citizens and the economy, ADB provided grants totaling $52.5 million in 2020 for budget support and delivered emergency medical supplies.

**ADB’s investments in Tajikistan have emphasized diversifying the economic base and improving the investment climate to create jobs with higher incomes.**
ADB has also provided budget support for critical reforms to improve Tajikistan's investment climate, tax administration, public financial management, and social protection. The bank disbursed a $50 million program grant in 2020 to further support reforms by the Government of Tajikistan to boost private sector confidence, strengthen the financial sector, and improve fiscal management.

To create international trade links, over 700 kilometers of Tajikistan’s highways have been improved with ADB’s support. By supporting a “single window” facility and improving key customs posts along borders, the bank has helped Tajikistan boost regional cooperation and trade. ADB is also helping deliver social services to the people of Tajikistan by improving national and local road networks, including under a $67.49 million grant committed in 2020.

ADB investments have helped improve three hydropower plants, install or upgrade over 600 kilometers of power transmission and distribution lines, and modernize major electricity substations. The bank is implementing a $35 million grant to reconnect Tajikistan’s electricity system to the Central Asian Power System through interconnection with Uzbekistan. ADB is also working with the government to implement energy sector restructuring and reforms, improve financial sustainability, and reduce system losses, including under a $105 million development grant committed in 2020.

ADB is implementing a $10 million grant to help Tajikistan prepare for and respond to natural hazards and climate change, and a $10 million grant to support tourism.

ADB has helped make clean water available to over 100,000 households in Tajikistan, and improved more than 170,000 hectares of land through better irrigation, drainage, and flood management. The bank is helping to rehabilitate urban water supply and sanitation infrastructure in the southeast of the capital, Dushanbe, under a $41.18 million grant.

In education, ADB supports the modernization of technical and vocational education and training. In 2020, it committed a $31.5 million grant to further strengthen the skills of Tajikistan’s youth, women, and labor migrants to improve their employability and wages.

ADB has helped Tajikistan strengthen drug quality-control mechanisms, develop a family group practice framework, rehabilitate and equip rural health care facilities, and train family doctors and nurses. The bank is currently implementing a $32 million grant to deliver integrated maternal and child health care services in the districts of Fayzobod, Rasht, and Shamsiddin Shohin.

**NONSOVEREIGN OPERATIONS**

As a catalyst for private investments, ADB provides financial assistance to nonsovereign projects and financial intermediaries. Total commitments in loans and equity investments from ADB’s own funds in 2020 amounted to $1.4 billion for 38 transactions in economic and social infrastructure, finance sector, and agribusiness. ADB also actively mobilizes cofinancing from commercial and concessional sources. In 2020, ADB mobilized $1.9 billion of long-term project cofinancing and $3.3 billion of cofinancing through its Trade and Supply Chain Finance Program and Microfinance Program. Total outstanding balances and commitments of nonsovereign transactions funded by ADB’s own resources stood at $14.3 billion as of 31 December 2020.

**PARTNERSHIPS**

ADB is Tajikistan’s largest multilateral development partner. It promotes policy dialogue and investment projects that

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**Tajikistan: Evaluation Results for Sovereign and Nonsovereign Operations, 2011–2020**

<table>
<thead>
<tr>
<th>Total Number of Validated and Evaluated Projects and Programs</th>
<th>Evaluation Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sovereign Operations</td>
<td>Highly successful and successful</td>
</tr>
<tr>
<td>Nonsovereign Operations</td>
<td>–</td>
</tr>
</tbody>
</table>

Note: The figures indicate the number of sovereign and nonsovereign operations in the countries that have been validated or evaluated by the IED and their overall performance ratings. The coverage consists of all validated or evaluated project completion reports and extended annual review reports circulated by ADB within the 10-year period from 1 July 2010 to 30 June 2020. See evaluations related to Tajikistan.

Source: IED success rate database (as of 31 December 2020).

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**Tajikistan: Projects Cofinanced, 1 January 2016–31 December 2020**

<table>
<thead>
<tr>
<th>Cofinancing</th>
<th>No. of Projects</th>
<th>Amount ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sovereignx</td>
<td>7</td>
<td>250.92</td>
</tr>
<tr>
<td>Loans</td>
<td>3</td>
<td>227.00</td>
</tr>
<tr>
<td>Grants</td>
<td>4</td>
<td>21.92</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>1</td>
<td>2.00</td>
</tr>
<tr>
<td>Nonsovereign</td>
<td>1</td>
<td>2.84</td>
</tr>
</tbody>
</table>

* A project with more than one source of cofinancing is counted once.

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**Tajikistan: Ordinary Capital Resources Nonsovereign Commitments by Product**

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2016–2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Transactions Signed (OCR)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Number of Transactions Signed (Programs)</td>
<td>–</td>
<td>11</td>
</tr>
<tr>
<td>Loans</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Equity Investments</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Guarantees</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Trade and Supply Chain Finance Program and Microfinance Program</td>
<td>–</td>
<td>5.99</td>
</tr>
<tr>
<td>Total</td>
<td>–</td>
<td>5.99</td>
</tr>
</tbody>
</table>

Note: The figures indicate the number of sovereign and nonsovereign operations in the countries that have been validated or evaluated by the IED and their overall performance ratings. The coverage consists of all validated or evaluated project completion reports and extended annual review reports circulated by ADB within the 10-year period from 1 July 2010 to 30 June 2020. See evaluations related to Tajikistan.

Source: IED success rate database (as of 31 December 2020).

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**Tajikistan: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2019–2020**

<table>
<thead>
<tr>
<th></th>
<th>2019 ($ million)</th>
<th>2020 ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Ongoing Loans* (as of 31 Dec 2020)</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Contract Awards*</td>
<td>7.30</td>
<td>21.71</td>
</tr>
<tr>
<td>Disbursements*</td>
<td>20.35</td>
<td>19.01</td>
</tr>
<tr>
<td>No. of Ongoing Grants* (as of 31 Dec 2020)</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>Contract Awards*, †</td>
<td>31.99</td>
<td>32.70</td>
</tr>
<tr>
<td>Disbursements*, †</td>
<td>70.79</td>
<td>148.47</td>
</tr>
</tbody>
</table>

* Based on commitments.
\* Includes closed loans/grants that had contract awards or disbursements during the year.
† Excludes policy-based, results-based, and financial intermediation/credit loans and grants.
\* Includes only Asian Development Fund and other ADB special funds.
Support the government’s development objectives, particularly through the Development Coordination Council. ADB also cooperates with the private sector and civil society organizations within Tajikistan.

Through the Central Asia Regional Economic Cooperation (CAREC) Program, ADB supports Tajikistan by developing regional energy policy and energy-trading projects, rehabilitating regional transport corridors, and facilitating regional trade. Under the CAREC 2030 Strategic Framework, this partnership has expanded to regional tourism, human capital development, agriculture, water resources, health, and education. ADB is also supporting the creation of CAREC economic corridors.

**FINANCING PARTNERSHIPS**

Financing partnerships enable ADB’s financing partners, governments or their agencies, multilateral financing institutions, and commercial organizations to participate in financing ADB projects. The additional funds are provided in the form of loans and grants, technical assistance, and other nonsovereign cofinancing such as B loans, risk transfer arrangements, parallel loans and equity, guarantee, cofinancing, and cofinancing for transactions under ADB’s Trade and Supply Chain Finance Program and Microfinance Program.

ADB began cofinancing operations in Tajikistan in 2000. Since then, sovereign cofinancing commitments for Tajikistan have amounted to $330.77 million for 23 investment projects, and $19.6 million for 20 technical assistance projects. Nonsovereign cofinancing for Tajikistan has amounted $5.66 million for one investment project and $0.2 million for one technical assistance project.

In 2020, Tajikistan received $25 million loan cofinancing from the European Bank for Reconstruction and Development for the Power Sector Development Program, and $1.5 million grant cofinancing from the Japan Fund for Information and Communication Technology for the Skills and Employability Enhancement Project.

A summary of projects with cofinancing from 1 January 2016 to 31 December 2020 is available at www.adb.org/countries/tajikistan/cofinancing.

## PROCUREMENT

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its developing member countries and several billion dollars in contracts to procure goods, works, and consulting services. Most contracts are awarded on the basis of international competition, which is open to firms and individuals from all ADB members.

## Share of ADB’s Procurement Contracts

### Goods, Works, and Related Services

ADB’s procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations totaled $14.19 billion in 2019 and $22.79 billion in 2020. Cumulative procurement since 1966 has been $216.35 billion covering 222,415 contracts.

For contractors and suppliers from Tajikistan, 1,591 contracts worth $560.76 million have been awarded since 1998.

### Consulting Services

ADB’s procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations totaled $756.72 million in 2019 and $732.11 million in 2020. Cumulative procurement since 1966 has been $14.13 billion covering 67,086 contracts.

For consultants from Tajikistan, 467 contracts worth $17.91 million have been awarded since 1998.

## Operational Challenges

Despite progress in developing its economy and alleviating poverty, Tajikistan continues to face challenges in human capital development and attracting private investment. ADB is working closely with the government and other development partners to
implement wide-ranging reforms in various sectors of the national economy. Tajikistan boasts high success rates for completed projects as well as timely implementation of ongoing projects supported by ADB. However, challenges persist in project design and ownership, and in securing resources to maintain rehabilitated facilities. To explore new strategies in these areas, ADB and the government are working to improve quality-at-entry for projects, enhance procurement and disbursement efficiency, strengthen country processes, and promote financial sustainability of investments.

**FUTURE DIRECTIONS**

ADB plans to provide approximately $103 million in 2021 and $345.54 million from 2022 to 2024, which will be anchored on a new country partnership strategy, 2021–2025. The proposed financing is intended to fund projects that will improve food security and water resource management, and develop urban infrastructure and the energy sector. ADB also plans to support projects focused on developing health systems, improving the financial sector, accelerating tourism, enhancing disaster resilience, and upgrading road networks. In addition, the investment pipeline includes projects that will promote e-governance and improve science, technology, engineering, and mathematics education. ADB has also slated $5.25 million for technical assistance, knowledge work, and project preparation during 2021–2023.

**ABOUT TAJIKISTAN AND ADB**

**ADB Membership**
Joined 1998

**Shareholding and Voting Power**
Number of shares held: 30,402 (0.286% of total shares)
Votes: 69,516 (0.523% of total membership, 0.803% of total regional membership)
*Overall capital subscription:* $437.87 million
*Paid-in capital subscription:* $21.95 million
*United States dollar figures are valued at rate as of 31 December 2020.

Davlatali S. Said is the Governor and Sadi Qodirzoda is the Alternate Governor for Tajikistan in ADB.

Sameer Kumar Khare is the Director and Md. Azizul Alam is the Alternate Director representing Tajikistan on the ADB Board of Directors.

Shanny Campbell is the ADB Country Director for Tajikistan. The Tajikistan Resident Mission was opened in 2003 and provides the primary operational link for activities between ADB and the government, the private sector, civil society stakeholders, and development partners. The resident mission engages in policy dialogue, country partnership strategy development and programming, portfolio management, external relations and knowledge management, economic and sector work, aid coordination, and development partnerships.

The Tajikistan government agency handling ADB affairs is the Executive Office of the President.

**ABOUT THE ASIAN DEVELOPMENT BANK**

ADB is a multilateral development bank owned by 68 members, 49 from Asia and the Pacific and 19 from other parts of the world. ADB’s main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2020, lending volume was $26.9 billion (149 projects), with technical assistance at $293.56 million (275 projects) and grant-financed projects at $1.08 billion (62 projects). In addition, $16.41 billion was generated for sovereign and nonsovereign cofinancing in the form of loans and grants, B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB’s Trade and Supply Chain Finance Program and Microfinance Program. From 1 January 2016 to 31 December 2020, ADB’s annual lending volume averaged $19.69 billion. In addition, investment grants and technical assistance funded by ADB and Special Funds resources averaged $805.5 million and $230.81 million respectively over the same period. As of 31 December 2020, the cumulative commitments excluding cofinancing were $323.17 billion in loans for 3,369 projects in 44 countries, $11.3 billion in 495 grants, and $5.01 billion in technical assistance grants, including regional technical assistance grants.

**NOTES:**
Figures are estimated by ADB unless otherwise stated. “$” refers to United States dollars. Data are updated as of 31 December 2020 unless otherwise indicated.