

Tajikistan	
Policy responses	
Containment	<ul style="list-style-type: none"> • Border closures • Travel restrictions • Suspending prayers at mosques • Quarantine • [25 April] Kindergartens and schools, but not universities, will close from April 27 to May 10, the government announced on April 25¹ • [30 April] Tajikistan has finally admitted it is in the throes of a novel coronavirus (COVID-19) crisis.² • [5 May] There will be distance learning in Tajikistan, school holidays extended until August 17.³ • [3 June] Prime minister orders to increase the number of labs for implementing COVID diagnostic test.⁴ • [4 June] Prime Minister proposes to impose punishment for going out in public without a face mask and violating distancing rules.⁵ • [5 June], Tajikistan President issued a decree on Countering the Socio-Economic Impact of COVID-19. • The COVID-19 pandemic has had a severe human and economic impact in Tajikistan. Trade and transportation disruptions have led to a sharp drop in remittances and government revenues and created urgent balance of payments and fiscal financing needs. • [10 June] A new mobile application that allows users to conduct self-assessments at home while raising awareness of measures to prevent COVID-19, has been launched in Tajikistan by the Aga Khan Health Services in Tajikistan.⁶ • [11 June] Tajikistan’s parliament has voted to criminalize anyone found negligently infecting others with the coronavirus.⁷ <p>Reopening: [6 June] The government presented a reopening plan. Accordingly, bazaars, cafes, beauty and hairdressing salons, and barber shops along other businesses are expected to resume operations in Tajikistan starting on June 15.</p> <p>All businesses must adhere strict cautionary measures, including regular disinfection of premises and observance of social distancing. While restrictions on</p>

¹ <https://eurasianet.org/dashboard-coronavirus-in-eurasia>.

² <http://en.kabar.kg/news/tajikistan-officially-admits-to-coronavirus-crisis/>.

³ <https://asiaplustj.info/en/news/tajikistan/power/20200505/there-will-be-distance-learning-in-tajikistan-school-holidays-extended-until-august-17>.

⁴ <https://asiaplustj.info/en/news/tajikistan/society/20200603/prime-minister-orders-to-increase-the-number-of-labs-for-implementing-covid-diagnostic-test>.

⁵ <https://asiaplustj.info/en/news/tajikistan/power/20200604/prime-minister-proposes-to-impose-punishment-for-going-out-in-public-without-a-face-mask>.

⁶ <http://en.kabar.kg/news/coronavirus-self-assessment-mobile-app-launched-for-tajikistan/>.

⁷ <https://www.timesca.com/index.php/news/22563-tajikistan-criminalizes-spreading-coronavirus-approves-fines-for-not-wearing-a-mask>.

	public transport will be removed and intercity travel remains open, international flights are not expected to resume until further notice.
Fiscal	<p>The authorities are concerned about debt sustainability and are preparing consolidation measures that can be implemented over the medium term.</p> <p>[22 April] The Ministry of Finance is expected to issue securities in a form of bills to address a 300 million somoni public debt. The bills will be issued with a maturity of five years and an annual interest rate of 2.0 percent.⁸</p> <p>[28 May] By decree issued on May 14, the Government of Tajikistan has approved the mechanism of assignment and payment of targeted social benefits in the country. Under this document, low-income families living in the following regions will receive social allowances beginning on July 1, 2020.⁹</p> <p>[3 June] Over the first quarter of this year, the national budget has allocated 344 million somoni (TJS) for enhancement of the health sector, which is only 78.1 percent of a projected volume, according to the Ministry of Finance (MoF).¹⁰</p> <p>[24 June] The government's proposal is approved to provide benefits to the population, small and medium-sized businesses in order to prevent the impact of COVID-19 on the socio-economic spheres of the country.¹¹</p> <ul style="list-style-type: none"> • tax holidays for the period from April 1 to September 1, 2020 for tourism facilities, hotels, public catering organizations, health and sports centers, resorts, international passenger transport and air navigation, and a ban on the calculation of interest for late payment of taxes for this period. • from May 1 to August 1, 2020, small and medium-sized businesses that completely suspended their activities in connection with the distribution of COVID-19 are exempted from paying state property rents. • For the same period, individual entrepreneurs working according to a patent in markets, shopping centers and consumer services, including hairdressing salons, beauty salons, fashion ateliers and sewing shops, are exempt from tax calculation and payment. • to maintain the level of population profitability from June 1 to December 31, 2020, the income tax rate on the percentage of deposits of individuals is reduced from 12 to 6 percent.
Monetary	<p>The National Bank of Tajikistan (NBT)</p> <ul style="list-style-type: none"> • Increased policy rate by 50 basis points to 12.75 percent on 3 February to contain inflationary pressures (Headline inflation reached 8.02 per cent in January 2020, exceeding the upper bound of inflation target of 8 per cent).

⁸ <https://asiaplustj.info/en/news/tajikistan/economic/20200422/finance-ministry-expected-to-issue-securities-to-address-the-countrys-internal-debt>.

⁹ <https://asiaplustj.info/en/news/tajikistan/society/20200528/social-allowances-will-be-paid-to-poor-families-beginning-on-july-1-2020>.

¹⁰ <https://asiaplustj.info/en/news/tajikistan/economic/20200603/national-budget-allocated-nearly-tjs100-million-less-to-the-health-sector-in-q1-2020>.

¹¹ <https://asiaplustj.info/en/news/tajikistan/society/20200625/parliament-of-tajikistan-approved-the-provision-of-benefits-to-business-during-the-pandemic>.

	<ul style="list-style-type: none"> Lowered reserve requirement to boost liquidity in the system. In March 2020, the required reserves ratio of credit financial institutions for savings and other similar liabilities are temporarily set at 1% in national currency (200 bps cut) and 5% in foreign currency (400 bps cut) from 1 April to 31 December, 2020.¹² The policy rate was cut by 100 basis points in April [29 April] Tajikistan’s central bank notes that the refinancing rate in the country is recorded at 11.75 percent as of April 29, 2020. Before that, the refinancing rate in Tajikistan was recorded 12.75 percent as of February 3, 2020.¹³ [27 July] cut its refinancing rate by 1.0 percent – from 11.75 percent set on April 29, 2020 to 10.75 percent.¹⁴
Financial	<p>NBT</p> <ul style="list-style-type: none"> A one-off 5 percent depreciation of somoni to adjust the official exchange rate with cash market rate. Foreign exchange liquidity has been provided to banks. Recommended the banks to consider restructuring (i.e extending maturity) loans that face temporary hardship. Disburse preferential loans to food and medical supply producing companies through the Fund for State Support to Entrepreneurship.
Trade measures ¹⁵	<p>Restrictive:</p> <ul style="list-style-type: none"> Exports of certain food products such as grains, beans, wheat, flour, rice, eggs, potatoes and meat are prohibited. <p>Liberalizing: N/A.</p>
SME measures	<p>Tax exemption:</p> <ul style="list-style-type: none"> Time-bound tax holidays and relief were provided to targeted industries and small businesses until September 1, 2020. <p>Loan support:</p> <ul style="list-style-type: none"> In April, the National Bank of Tajikistan (NBT) recommended the banks (i) to review loan terms to support borrowers facing temporary difficulties and (ii) to waive penalties for businesses and individuals that face hardships in repaying their loan obligations between May and October 2020.
Other policy measures	<p>International cooperation:</p> <ul style="list-style-type: none"> Prime Minister briefed the donor community, including Development Coordination Council members and diplomatic corps about the economic impact of COVID-19 pandemic on Tajikistan. The authorities have requested disbursement under IMF Rapid Credit Facility instrument. Ongoing discussion with other development partners, including the World Bank and the ADB, regarding financial support.

¹² <http://nbt.tj/en/news/497210/>.

¹³ <https://asiaplustj.info/en/news/tajikistan/economic/20200430/tajik-central-bank-reportedly-cuts-its-refinancing-rate-due-to-coronavirus-concerns>.

¹⁴ <https://asiaplustj.info/en/news/tajikistan/economic/20200728/tajik-central-bank-reportedly-cuts-its-refinancing-rate-to-1075-percent>.

¹⁵ <https://www.macmap.org/covid19>

	<ul style="list-style-type: none"> • [2 April] World Bank approved \$11.3 million in grant financing for the Tajikistan Emergency COVID-19 Project. The financing help establish around 100 new, fully equipped Intensive Care Unit (ICU) beds in health facilities across Tajikistan. Urgently needed supplies to help detect and prevent COVID-19 will also be procured, including testing kits, laboratory reagents, and personal protective equipment for medical personnel. ICU staff will receive training in COVID-19 care and infection prevention, as well as longer-term capacity-building in critical care provision.¹⁶ • [6 May] IMF approved a disbursement to Tajikistan of US \$189.5 million under the Rapid Credit Facility (RCF). These funds will help meet the urgent balance of payments and fiscal financing needs stemming from the outbreak of the COVID-19 pandemic and will help prevent severe economic and human disruption and preserve fiscal space for essential COVID-19-related health and social expenditure.¹⁷ • [May 12] The Islamic Republic of Iran sent the first batch of humanitarian aid to Tajikistan on May 12 to combat the coronavirus pandemic. By special flight from Mashhad to Dushanbe delivered 6 tons of medicines.¹⁸ • [May 13] The Government of Tajikistan is actively cooperating to receive grant assistance from the World Bank Group (\$ 47 million) and the Asian Development Bank (\$ 86 million). The country is also discussing the issue of attracting a \$ 50 million soft loan from the Eurasian Stabilization and Development Fund (EFSD).¹⁹ • [May 14] Tajikistan is attracting funds to tackle the COVID-19 pandemic. A grant worth \$11.3 million was attracted from the International Development Association (IDA).The project consists of four parts and includes the implementation of various measures to strengthen the country’s potential in the field of healthcare, purchase of equipment, medications, disinfectants, and special clothing. The major share of the grant, \$6.3 million, will go toward the acquisition. The project also includes measures to prepare the country’s socio-economic sectors and the population, which will get a share of \$1 million. Another \$3 million is for providing social aid to families that are vulnerable in terms of food security.²⁰ • [May 14] EU, FAO provide 60 tonnes of potato seeds to Tajik farmers.²¹ • [May 18] EU and UNICEF deliver 13 tons of medical supplies to support Tajikistan respond to COVID-19.²² • [June 18] UNDP provides \$2.7 million to help Tajikistan fight COVID-19 impact.²³
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¹⁶ <https://www.worldbank.org/en/news/press-release/2020/04/02/tajikistan-gets-world-bank-financing-to-respond-to-covid-19-pandemic>.

¹⁷ <https://www.timesca.com/index.php/news/>.

¹⁸ <https://asiaplustj.info/en/news/tajikistan/20200513/iran-sends-6-tons-of-medicine-as-humanitarian-aid-to-tajikistan>.

¹⁹ <http://en.kabar.kg/news/tajikistan-seeks-additional-assistance-from-international-donors/>.

²⁰ <http://en.kabar.kg/news/tajikistan-attracts-funds-to-tackle-covid-19/>.

²¹ <https://asiaplustj.info/en/news/tajikistan/economic/20200514/eu-fao-provide-60-tonnes-of-potato-seeds-to-tajik-farmers>.

²² <https://asiaplustj.info/en/news/tajikistan/20200518/eu-and-unicef-deliver-13-tons-of-medical-supplies-to-support-tajikistan-respond-to-covid-19>.

²³ <https://www.timesca.com/index.php/news/22591-undp-provides-2-7-million-to-help-tajikistan-fight-covid-19-impact>.

	<ul style="list-style-type: none"> • [June 19] The Asian Development Bank (ADB) has approved a US\$50 million grant to help the Government of Tajikistan strengthen the health sector, expand its social assistance program, ensure food security, and support MSMEs amid the COVID-19 pandemic.²⁴ • [June 26] Japan International Cooperation Agency (JICA) Tajikistan Office and the Aga Khan Agency for Habitat (AKAH) in Tajikistan have jointly provided emergency assistance to the Ministry of Health and Social Protection of the Population (MoHSPP) of public of Tajikistan to strengthen its capacity to reduce nosocomial infection, and establish appropriate treatment systems at hospitals in Khatlon province.²⁵ • [1 July] The Asian Development Bank (ADB) has approved a \$30 million grant to Tajikistan to strengthen the skills of the country’s youth, women, and labor migrants to improve their employability and wages, and enhance the capacity of employment and migration agencies.²⁶ • [22 July] The European Commission announced €112.2 million to strengthen health, education and social services in Tajikistan and support the country in its coronavirus response.²⁷ • [23 July] A U.S. military civil affairs team provided \$50,000 worth of assistance to the Committee on Emergency Situations of Tajikistan to combat the global COVID-19 pandemic.²⁸ • [30 July] As of 30 July, ADB has allocated a \$928,000 grant for Tajikistan to procure additional personal protective equipment for health care workers to support the country's efforts in combatting the coronavirus disease.²⁹ • [31 July] The European Bank for Reconstruction and Development (EBRD) is providing a financial package of US\$ 2 million for Arvand Bank, the seventh-largest bank in Tajikistan, to support local businesses affected by the economic impact of the coronavirus pandemic.³⁰ • [3 August] The Council of the Eurasian Fund for Stabilization and Development (EFSD) announced to provide a US \$50 million financial credit to Tajikistan. The funds will be used to implement the Tajik Government and National Bank’s program to counter the impacts of COVID-19 on the country’s economic, financial, and social sectors.³¹ • [7 August] The Asian Development Bank (ADB) has approved an additional \$2.5 million grant to Tajikistan from its Asia Pacific Disaster Response Fund
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²⁴ <https://asiaplustj.info/en/news/tajikistan/society/20200618/adb-approves-a-50-million-grant-to-help-the-government-of-tajikistan-strengthen-the-health-sector>.

²⁵ <https://asiaplustj.info/en/news/tajikistan/society/20200626/jica-akah-provide-emergency-assistance-to-tajik-health-ministry-in-its-fight-against-covid-19>.

²⁶ <https://www.timesca.com/index.php/news/22642-adb-30-million-grant-to-support-labor-migrants-youth-and-women-in-tajikistan>.

²⁷ <https://www.timesca.com/index.php/news/22727-eu-strengthens-health-other-key-services-in-tajikistan-with-112-million>.

²⁸ <https://www.timesca.com/index.php/news/22723-us-provides-personal-protective-equipment-to-tajikistan-s-committee-on-emergency-situations>.

²⁹ www.timesca.com/index.php/news/22751-adb-allocates-additional-grant-to-tajikistan-for-covid-19-medical-supplies.

³⁰ www.timesca.com/index.php/news/22753-tajikistan-s-bank-to-benefit-from-ebrd-solidarity-package.

³¹ <https://www.timesca.com/index.php/news/22767-efsd-to-provide-financial-credit-to-tajikistan-and-grants-for-health-projects>.

	<p>(APDRF) to further support the government’s emergency response to the coronavirus disease (COVID-19) pandemic.³²</p> <ul style="list-style-type: none"> • [14 August] The Committee on Tourism Development under the Government of Tajikistan has signed contracts with the United Nations World Tourism Organization (UNWTO) and two national non-government organizations (NGOs) — Fund for Poverty Reduction and Analytical Centre Navo — for implementing the Tourism Development Project. The project is financed by a \$10 million grant from the Asian Development Bank (ADB).³³ • [26 August] ADB announced to provide \$323 million in grants to Tajikistan from 2021-2023 to help address the country’s development needs, according to the bank’s updated Country Operations Business Plan.³⁴ <p>[22 April] The Kommertzbank of Tajikistan has launched program to help migrants’ families overcome challenges.³⁵</p> <ul style="list-style-type: none"> • postponing the payment of loans for customers, whose largest source of income are remittances • providing a 3,000 somoni loan for payment of basic food products (wheat flour, vegetable oil, cereals) and medicines <p>[25 April] The government banned the export of basic food items including cereals, legumes, eggs, potatoes and meat.³⁶</p> <p>[26 April] The Special Quarantine Department has been established at the Interior Ministry of Tajikistan, which provides chargeable cleaning services for public and private place.³⁷</p> <p>[May 28] Minister of Industry and New Technologies, Zarobiddin Faizullozoda, reported on the program of accelerated industrialization of the republic designed for 2020-2025, the Tajik president’s official website said.³⁸</p> <p>[June 18] Tajikistan increases agricultural exports despite coronavirus crisis. Collection of fruits and vegetables is going on in Tajikistan. A part of them is exported to the Russian Federation via territories of Uzbekistan and Kazakhstan.³⁹</p>
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³² <https://www.timesca.com/index.php/news/22783-adb-approves-additional-2-5-million-grant-to-tajikistan-for-covid-19-response>.

³³ www.timesca.com/index.php/news/22803-adb-grant-supports-tourism-development-in-tajikistan.

³⁴ <https://www.timesca.com/index.php/news/22844-adb-plans-323-million-in-grants-to-support-tajikistan-in-2021-2023>.

³⁵ <https://asiaplustj.info/en/news/tajikistan/society/20200421/tajikistans-kommertzbank-launches-the-migrant-family-support-program>.

³⁶ <https://eurasianet.org/dashboard-coronavirus-in-eurasia>.

³⁷ <https://asiaplustj.info/en/news/tajikistan/power/20200422/special-quarantine-department-established-at-tajikistans-interior-ministry>.

³⁸ <https://asiaplustj.info/en/news/tajikistan/power/20200528/president-orders-to-take-additional-steps-to-intensify-anti-epidemic-measures>.

³⁹ <https://asiaplustj.info/en/news/tajikistan/economic/20200618/tajikistan-increases-agricultural-exports-despite-coronavirus-crisis>.

	Recently, Tajikistan was granted a debt relief around USD50 million under G20 DSSI initiative. These funds were also included to anti-COVID envelop under supplementary budget currently being discussed in the Parliament
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Source: IMF, Policy Responses to COVID-19, if not specified.