

TAJIKISTAN CAS COMPLETION REPORT REVIEW

The Bank's 2003 Country Assistance Strategy (CAS) was the third since the civil war ended and the first after international attention and aid to the region surged. Its three objectives were to: (1) improve social service delivery, especially health and education, and community based development, (2) foster economic growth through private sector development, and (3) strengthen the institutions needed for a market economy.

The region's CAS Completion Report (CASCR) finds that there has been substantial economic growth (the second objective), and little progress towards the others. This growth and large worker remittances significantly reduced poverty, a creditable outcome considering the difficult country conditions and poor governance. Bank activities usefully contributed to this outcome: for example, they helped reduce hindrances on remittances through banks, economic and sector work (ESW) analyzed important sectors like cotton, and projects helped improve policies and some infrastructure. OED finds the outcome of Bank assistance to be moderately satisfactory.

Government Objectives, Bank Strategy, and Overview of Implementation

1. The 2003 Country Assistance Strategy followed two earlier ones (May 1996 and June 1998) that emphasized post conflict issues following the 1992-97 civil war, but attention and aid to the region surged following the 2001 international intervention in neighboring Afghanistan. The 2003 CAS, based on the 2002 Poverty Reduction Strategy Paper (PRSP), set three broad objectives¹: (1) improve community-based support of public infrastructure and services, especially health and education, (2) foster economic growth through private sector development, and (3) strengthen the institutions needed for a market economy.

2. The 2003 CAS reflected the lessons from earlier Bank work in the country. Some projects had suffered from the government's inability to provide counterpart funds, and others from corruption, mis-procurement and delayed reforms. Many projects were restructured after a Country Portfolio Performance Review in 2002. Since the central government's implementation capacity was limited, the 2003 CAS emphasized community driven development (CDD) initiatives, an approach popular at the time with the Bank and donors, whose importance increased with aid to Tajikistan.

3. IDA committed US\$58.8 million in six operations between FY03-05, considerably less than the US\$80 million envisioned in the CAS's base case.² Since IDA's first credit in 1996, commitments now total US\$360.9 million through 24 operations, of which US\$273 million has disbursed (Annex Table 1). Twelve projects for US\$211.1 million have closed and of nine

¹ The 2003 CAS lists the objectives in this order, and the region's CASCR arranges them differently.

² The US\$58.8 million includes IDA grants of US\$22.8 million and in addition, a regional HIV/AIDs project approved in March 2005 for US\$26.9 million (undisbursed) partly covers Tajikistan. The Bank also administers US\$5.5 million of GEF grants, as detailed in Annex Table 1. The 2003 CAS envisioned lending US\$100 million as the high case if fiduciary and institutional reforms accelerated, but dropping to the low case of US\$45 million if security, governance or macro-economic management worsened.



projects evaluated, OED rated seven as having satisfactory outcomes (Annex Table 2). No ongoing project is now at risk (Annex Table 3), a marked portfolio improvement since 2000 (the 2003 CAS Annex B2 reported that 53 percent was at risk). Net transfers from the Bank have been positive (Annex Table 6), but although the SAC-III planned for that year was postponed because reforms under SAC-II dragged on, remittance inflows allowed substantial repayments due to the Fund in 2003.³

4. Annex Table 4 lists the Economic and Sector work (ESW) planned in the CAS, indicating those that were completed. Some useful studies were not in the CAS, and a few were regional (not listed), reflecting the infrastructure ties that bind Tajikistan with its neighbors. Tajikistan was one of WBI's "focus countries" to build public sector management capacity and develop CDD programs.

5. International attention increased aid and brought approaches that the government endorsed in the PRSP, but did not embrace. This reluctance combined with reduced IDA allocation led to five of the seven planned projects being dropped or delayed and the inclusion of new projects (four of the six approved projects were not in the 2003 CAS, Annex Table 1). The PRSP in Tajikistan, prepared after the 2003 CAS, also did not reflect government preferences: OED's evaluation of the PRSP found that "the authorities have gone along with important aspects of the PRGF [Poverty Reduction and Growth Facility] supported program that they do not fully agree with, mainly because they perceive that to do otherwise would reduce development assistance to the country."⁴ Despite wide consultations, few outside government were familiar with it and that policy formulation "continues to be limited to a relatively small circle of government and central bank officials." Fund staff drafted the memorandum of economic and financial policies, and neither the public investment program nor the budget reflected the PRSP.

Implementation by Objectives

Objective I: Social Service Delivery & Community Development

6. *Outcome.* There has been little progress towards social service delivery and community development despite considerable effort. Five of the six projects proposed in the base case supported this objective, but only two have been approved (Annex Table 1) and planned ESW pertaining to this objective were not all completed (Annex Table 4).

³ Three years elapsed between SAC-II's first and second tranche disbursement, but its outcome was rated moderately satisfactory.

⁴ "Evaluation of the Poverty Reduction Strategy Paper (PRSP) Process and Arrangements Under the Poverty Reduction and Growth Facility (PRGF)" (July 6, 2004) available at [http://wbln1023.worldbank.org/oed/oeddoclib.nsf/DocUNIDViewForJavaSearch/4BA6B6ACF4E7856D85256FE10062BBB3/\\$file/prsp_country_case_studies.pdf](http://wbln1023.worldbank.org/oed/oeddoclib.nsf/DocUNIDViewForJavaSearch/4BA6B6ACF4E7856D85256FE10062BBB3/$file/prsp_country_case_studies.pdf)

The PRSP lacked specific priorities and endorsed four elements: (i) encourage equitable, labor intensive economic growth emphasizing exports, (ii) support efficient and fair provision of basic social services, (iii) target support to the poorest groups of the population, and (iv) improve governance and security.

7. The CASCR notes that community development “did not take root as planned. ... it was seen as an NGO-driven agenda not connected to pressing concerns with state-building and enhancing central government capacity.”(para. 48) Several small pilot projects (e.g., for poverty alleviation, education and health) sought to tackle major problems, but public apathy, corruption and vested interests made this difficult especially when local authorities feared that this eroded their power. The CASCR notes the experience of the primary health care project that taught “the need to ‘anchor’ activities in the country’s policy context to ensure their sustainability” (para. 43).

Objective II: Stimulating Growth

8. *Outcome.* There has been considerable progress towards this objective. The Bank did not support macroeconomic management directly (a PRGF in December 2002 followed a Fund monitored program that began in January 2002), but Bank-supported structural reforms spanning many sectors helped increase annual economic growth to 10 percent in 2001-04. Such robust growth and large worker remittances (20-30 percent of GDP) reduced the head count measure of poverty from 82 percent in 1999 to 64 percent in 2003. Between a quarter and third of the Tajik male workers are now abroad (mostly construction related, many seasonal, and over 85 percent in Russia with visa free access), and their remittances finance the current account deficit and augment the incomes of the poor. The recovery of international aluminum prices and debt forgiveness also helped economic growth: Russia exchanged some US\$250 million in claims for other assets, and Pakistan forgave debts of US\$13 million. The public sector external debt fell from 84 percent of GDP in 2002 to 40 percent in 2004, with half owed to multilaterals, including the Bank and Fund.

9. The Bank helped reduce hurdles (e.g. eliminating a 30 percent tax) to sending remittances through banks, but quick withdrawals from distrusted banks resulted in aggregate banking deposits increasing only modestly to 5.2 percent of GDP. The Bank also introduced banking measures unsuited to Tajik conditions: SAC-II (approved under an earlier CAS but disbursed during the period under review) supported restricting banking entry and raising capital requirements in an effort to make banks sound, but ESW on cotton describes how these restrictions help vested interests.⁵ The CASCR notes “there are indications that the banking sector is not adequately servicing private sector led growth and that some segments of the economy are underfinanced,” but it was still appropriate to drop the Banking and Private Sector (credit line) project that would not have addressed the root of the problems.

10. **Agriculture** has rebounded despite a serious drought in 2001. Cotton is the major cash crop, and the cultivated area and yields have risen thereby roughly doubling the volume and value of cotton exports (80 percent to EU markets), despite the recent decline in international prices (following the near doubling between 2002 and 2004). Over-cultivation of cotton in the

⁵ The large state-owned bank met its required capital by spinning off its bad loans to a non-bank entity that was subsequently “privatized” to well-connected persons. This non-bank entity intermediated external (government guaranteed) loans to cotton producers, using crop liens as collateral. Restrictions ostensibly to preserve loan collateral preclude competition in transport and storage, and reduce the benefits from cotton gin privatization. The May 2005 “Tajik Cotton Debt Report” described the plethora of inappropriate controls that remain *de facto* despite *de jure* liberalization.



region notwithstanding, Bank ESW suggested that improvements to the dilapidated irrigation and drainage system were warranted in localities with appropriate soil conditions and cropping patterns.⁶ But local authorities' policies and controls discourage efficient production, storage and marketing of cotton and the CASCR notes "Bank projects did not cover the cotton sector to a significant extent because the government asked the Bank to focus on non-cotton areas" (para. 31). An earlier Bank project supported the privatization of cotton gins and although the Farm Privatization support project helped privatize land and improve water distribution networks, these pilots cover less than 5 percent of total cotton lands. The pilot projects demonstrated potential improvements that ESW estimates would add \$100 million to GDP.

11. **Industry** declined everywhere in the former Soviet Union, but its recovery has been particularly sluggish in Tajikistan. The largest industry is smelting aluminum from ore mainly mined in Kazakhstan, Russia, and Ukraine; and TADAZ, the state owned aluminum company, still operates at 70 percent of 1990 levels (and far less than installed capacity) using about 40 percent of the country's electricity. TADAZ now pays its electric bills, but old arrears and accrued interest remain unresolved adding to the quasi-fiscal deficit. After declining in the 1990s, aluminum prices have risen substantially since 2002 and while TADAZ appears to add value, the Bank has governance concerns.⁷ Privatization of large state enterprises has been slow, although the pace has picked up recently, but the government wants to restructure, not sell, TADAZ.

12. Tajikistan's landlocked location and crumbling **infrastructure** (e.g. unreliable electricity, bad roads) impedes private sector growth. Maintenance was neglected over the last decade and required investments greatly exceed the county's (and region's) savings. The 2003 CAS emphasized the private provision of electricity and water and included no electricity projects.⁸ The Bank helped change laws to allow such private developments, but the sole resulting project was largely because of the Aga Khan Foundation's initiative and interest in the isolated Gorno Badakshan Autonomous Oblast that accounts for just 2 percent of Tajik GDP. Although now a small net electricity importer, Tajikistan has exploited barely a tenth of its large hydro potential, and the government wants to complete several run-of-the-river dams begun under Soviet aegis

⁶ "Irrigation in Central Asia: Social, Economic & Environmental Considerations" (World Bank 2003) answers whether cotton should be grown and the dilapidated irrigation canals restored since water overuse increased soil salinity and shrunk the inland Aral Sea in adjoining Uzbekistan. This also affects electricity, since a third of total power consumption is used to pump water for irrigation, mostly in the fertile Fergana valley.

⁷ Value-subtracting industries reduce welfare; but TADAZ appears to add value. Aluminum revenues cover operating costs (smelter costs are sunk) and although TADAZ reported a loss in 2002, the privately held trading firm that handles its imports and exports apparently made substantial profits. The government rejected the first audit of TADAZ's accounts done after much international urging, but accepted a second done by a different firm. The *Trade Diagnostic Study* (June 30, 2005 Report No.32603-TJ) reports that although polluting, TADAZ's technology seems reasonably efficient: it uses 15 kw-hrs per kilo of ingot, only a little more than newer plants elsewhere. Adding capacity would be uneconomical (except to ease bottlenecks) since transmitting electricity is cheaper than transporting alumina to the smelter.

⁸ The Asian Development Bank financed electricity projects, but limited progress in the sector prompted the Bank to advance the Energy Loss Reduction project to FY05.



and to build a new north-south transmission link to the existing grid. Bank ESW⁹ found merit in augmenting the existing grid that is technologically obsolete, and in poor repair with bottlenecks that reduce reliability. The Energy Loss Reduction Project that has just been approved finances meters for electricity and natural gas (supplied by Uzbekistan in exchange for pipeline and rail transit) — the first of many steps needed in the sector.

Objective III: Institutional Capacity & Governance

13. *Outcome.* The Bank's first project in 1996 was for institution building technical assistance, but progress has been limited. The government has not implemented the recommendations of the functional reviews of various Ministries (including health, education and telecommunications) or the merit-based system of paying public employees. Much of the technical assistance was ignored, and the CASCR notes that "with hindsight, more significant results could have been achieved through greater co-ordination between the consultants and the government."

14. Public expenditures are now better controlled, but planning and budgeting remain weak. Collection rates for important utilities remain low: only 50 percent for electricity. The 2003 CAS recognized that building institutions would take time and emphasized disclosure and transparency of information. Audits of the electricity and gas utilities are reportedly underway but the Bank continues to have governance concerns, particularly in important state enterprises. There appears to be little country ownership since local institutions have not taken up these concerns. Tajikistan is not a major grower or processor of contraband drugs, but being one of the transit routes for Afghan opium and heroin undermines the integrity of government officials.¹⁰

Overall OED Assessment

15. Tajikistan's economic recovery has been remarkable and its macroeconomic management commendable. Annual inflation has declined to under 6 percent in 2005, and 2004 tax revenues were a robust 15.2 percent of GDP; but expenditures are not all consolidated through a central budget as the CAS envisioned. The quasi-fiscal deficit remains high (it has declined to 15 percent of GDP because of economic growth), two thirds of which stem from electricity arrears.

16. Much of the Bank's assistance was useful, although some objectives were more relevant for the longer run. Bank ESW, before and during the period under review, covered important sectors with sufficient scope and depth: the two major economic activities, aluminum and cotton,

⁹ The northern areas import power year round from the Uzbek grid, and the southern region imports electricity during winter and exports the electricity generated from snow melt in the spring and summer. The geographic and seasonal pattern of power demand has changed over the past decade, and transmission bottlenecks have worsened although aggregate power use has not risen substantially. "Regional Electricity Export Potential Study" (December 2004) finds that Tajikistan should utilize its current and future generation in accord with its irrigation needs and trade its seasonal electricity surpluses and deficits. This requires investments in transmission.

¹⁰ The *Trade Diagnostic Study* reports from a recent Bank survey of truckers (not drug transporters who may pay more) that bribes at the multiplicity of police checkpoints "act like a tax on road transport of around 20 percent" or 1 percent of GDP (pg.18), except that the receipts do not benefit the budget.

were found to be viable, but the central government's poor oversight of TADAZ remains a concern and local governments' pervasive *de facto* controls prevent realizing cotton's potential.¹¹ The gains for the economy from better resource use would be greatest in the cotton sector but simple "stroke of the pen" measures that adjustment lending supports will not suffice (see para. 10 and footnote 5); so dropping SAC-III that had been planned in the CAS did not detract from Bank assistance, especially as remittances were ample to finance needed imports.

17. The 2003 CAS advocated empowerment and community development to circumvent the central government's limitations and the misuse of authority by *oblast* and *rayon* administrations. When it became clear that lower levels of community organization lacked the necessary administrative abilities, the Bank commendably changed tack and approved projects that accommodated central and local governments' divisions of jurisdictions and patronage. The current portfolio therefore has few problems because supervision and oversight seem adequate. Nevertheless, the emphasis in the 2003 CAS on community development may have delayed other important projects (e.g. in electricity).

18. Overall, OED finds the outcome of Bank assistance to be moderately satisfactory: the economy grew impressively and poverty declined, but progress was more modest toward other objectives such as improving social services and institutional development. ESW examined important issues requiring government decisions (e.g. on irrigation, electricity etc.) with a keen appreciation of regional developments allowing consistent advice given to Tajikistan's neighbors. Bank projects appear to have been well-designed and adequately supervised despite the difficult country situation; but some useful projects could have begun earlier had the government been more forthright, allowing the 2003 CAS to reflect country, not donor, preferences.

Assessment of Completion Report

19. The CASCR describes the Bank's experience candidly, including the difficulties encountered. It is commendably careful when linking impressive growth to the Bank's activities, and includes relevant indicators to support its findings (although it could have synthesized them in an overview of progress towards the three main objectives). The CASCR provides a thoughtful and balanced review and suggestions for the next CAS.

Lessons and Findings

20. Tajikistan illustrates how substantial foreign aid complicates development: the government muted its reservations to some approaches and projects favored by donors—despite substantial participation in the PRSP. Aid makes the Bank's task more difficult and important: the Bank must not only discern what the authorities want, but must also divine what the country needs—and reconcile the two when they differ.

¹¹ "Welfare Implications of Cotton Farmland Privatization: A Poverty and Social Impact Analysis" (June 24, 2004) notes that many cotton farmers got collective land tenure rights, not clear title to demarcated lands. Consequently, managers of farming collectives continue to heed local authorities and make poor decisions to the farmers' detriment.



21. The primary lesson from this experience is the importance of country specific and timely ESW that informs policy makers and guides projects. For example, ESW found that cotton debts resulted from precluding competition for inputs, outputs and credit, not because cotton was unproductive as the government claimed. Other ESW (some regional) on poverty, irrigation, electricity, etc. were also useful; but there was little work of similar quality in industry and in banking.

22. The second lesson is for the Bank and government to agree on specific steps, not just on broad objectives. Agreement on specific projects and their design would have made it easier for the Bank to help the country reap the potentially large efficiency gains in sectors such as cotton and the savings that such growth generates could finance development.

Annex Table 1: Review of Proposed and Approved Projects

Project ID	Projects Proposed in Strategy	Proposed Amount US\$(M)	FY	Year Approved	Approved Credits US\$(M)	Additional IDA Grants US\$(M)	Disbursed Amounts US\$(M)	Non-IDA Grants US\$(M)	Sector Board	Latest DO	Latest IP	Latest Risk Rating	Lend. Instr. Type
1996 Country Assistance Strategy													
P043231	Institution Building and Technical Assistance Credit (IBTA)	5	1996	1996 (closed 2000)	5.0	..	4.7	..	PSG	S	S	M	INV
P008863	Agricultural Recovery and Social Protection (ARSP) Credit	50	1997	1997 (closed 1997)	50.0	..	49.4	..	RS	U	U	M	ADJ
P044202	Pilot Poverty Alleviation Project	10	1997	1997 (closed 2002)	12.0	..	11.2	..	SP	S	S	H	INV
Economic Reform Support Credit													
		40-60	1998	Dropped	..	..	..	..	
		40-60											
		105-125											
1998 Country Assistance Strategy													
P047438	Structural Adjustment Credit I	50	1999	1999 (closed 2001)	50.0	..	55.8	..	EP	S	U	S	ADJ
P048718	Farm Privatization Support	20	1999	1999	20.0	..	22.4	..	RS	S	S	M	INV
P057953	Education (LIL)	5	1999	1999 (closed 2004)	5.0	..	4.8	..	EDU	S	S	N	INV
P049894	Health Sector (LIL)	5	1999	2000 (closed 2005)	5.4	..	5.5	..	HNP	S	S	S	INV
P059755	Institution Building Technical Assistance II	5	1999	1999 (closed 2005)	6.7	..	6.7	..	PSG	U	S	MU	INV
P058698	Rural Infrastructure Rehabilitation	20	2000	2000	20.0	..	13.7	..	RS	S	S	S	INV
P057883	Dushanbe Water Supply	15	2000	2002	17.0	..	5.3	..	WSS	S	S	..	INV
P008860	Poverty Alleviation II	15	2000	2002	13.8	..	6.2	..	SP	S	S	S	INV
P046047	Structural Adjustment Credit II	50	2001	2001 (closed 2004)	50.0	..	53.5	..	EP	S	S	M	ADJ
P072760	Social Sector Rehabilitation Credit	40	2001	2001	3.1	..	..	..	RS	..	..	..	INV
P072760	Post Privatization Agricultural Support	20	2001	2001	..	..	..	..	..	..	..	..	..
2003 Country Assistance Strategy													
P069055	Education Modernization Project*	20	2003	2003	13.0	7.0	2.2	..	EDU	S	S	M	INV
P066304	Banking & Private Sector Support	10	2003	Dropped in 2004	..	..	..	..	FS	..	..	..	INV
P077454	Community Agriculture and Watershed Management	30	2004	2004	5.0	5.8	0.5	4.5	RS	S	S	S	INV
	SAC III	10	2004	Delayed to 2006 (Policy Based Credit)	..	..	..	..	..	..	..	..	..
	Community and Basic Health	20	2004	Delayed to 2006	..	..	..	..	..	..	..	..	..
	Ferghana Valley Water	10	2005	Delayed to 2006	..	..	..	..	..	..	..	..	..
	Municipal Infrastructure	5	2005	Delayed to 2006	..	..	..	..	..	..	..	..	..
		15	2005	Delayed to 2006	..	..	..	..	..	..	..	..	..
		30	2005	Delayed to 2006	..	..	..	..	..	..	..	..	..
		80			335.1	25.8	273	5.5	EM	..	..	..	..
		350-370											
Grand Total													
Unprogrammed Projects Approved													
P053386	Post Conflict Reconstruction	10.0	1998 (closed 2001)	1998 (closed 2001)	10.0	..	10.0	..	TRA	S	S	S	INV
P055133	Post Conflict Rehabilitation	10.0	1998 (closed 1998)	1998 (closed 1998)	10.0	..	9.7	..	EP	S	S	N	ADJ
P059055	Emergency Flood Assistance	5.0	1999 (closed 2002)	1999 (closed 2002)	5.0	..	4.5	..	UD	S	U	M	INV
P066098	SAC (Supplement)	6.7	1999 (closed 2001)	1999 (closed 2001)	6.7	..	..	..	EP	..	..	..	ADJ
P068786	Supplement Emergency Flood Assistance	2.0	2000 (closed 2002)	2000 (closed 2002)	2.0	..	..	..	UD	..	..	..	INV
P067610	Lake Sarez Risk Mitigation	0.5	2000	2000	0.5	..	0.2	..	ENV	S	S	..	INV
P075258	Fanni Private Power Project	10.0	2002	2002	10.0	..	6.7	..	EM	S	S	H	INV
P088666	Land Registration and Cadastre (LRCSF)	..	2005	2005	..	10.0	..	..	RS	..	..	..	INV
P082599	Dashidzum Biodiversity Conservation Project (GEF MSP)	1.0	2005	2005	..	..	..	1.0	ENV	..	..	..	INV
P089244	Energy Loss Reduction	3.0	2005	2005	15.0	3.0	..	..	EM	..	..	..	INV
		335.1	25.8	273	5.5								
Projects in the Pipeline													
P078978	Community and Basic Health Project	10.0	2006	2006	10.0	..	..	..	HNP	..	..	..	INV
P079027	Tajikistan Municipal Infrastructure Development Project	15.0	2006	2006	15.0	..	..	..	WSS	..	..	..	INV
P074888	Policy Based Credit (SAC III)	10.0	2006	2006	10.0	..	..	..	PSD	..	..	..	ADJ
Unprogrammed Projects, Later Dropped													
P008659	AGSAL	28.6	1998	1998	28.6	..	..	..	RS	..	..	..	ADJ
P048727	Private Sector Development	42.2	1998	1998	42.2	..	..	..	PSD	..	..	..	ADJ
P008861	Infrastructure Rehabilitation	45.0	1999	1999	45.0	..	..	..	RS	..	..	..	INV
P008862	Power	35.7	2000	2000	35.7	..	..	..	EM	..	..	..	INV
P057811	Ag Tech & Ext (Joined w/ P066304)	5.0	2000	2000	5.0	..	..	..	RS	..	..	..	INV
P078927	Stets IDF (Never Materialized)	0.0	2003	2003	0.0	..	..	..	PR	..	..	..	..

Source: World Bank Tajikistan Country Assistance Strategies 1996, 1998, and 2003, SAP Business Warehouse Tables f.1, 2b.1, 2b.2, 2a.1, and f.a.3, April 2005.
 Notes: * Proposed in strategy as Education Support and Empowerment Project; Public Sector Governance (PSG), Economic Policy (EP), Education (EDU), Health, Nutrition and Population (HNP), Water Supply and Sanitation (WSS), Transport (TRA), Urban Development (UD), Environment (ENV), Energy and Mining (EM), Private Sector Development (PSD), and Financial Sector (FS). The Bank has not provided grants during this period.

Annex Table 2: Tajikistan - Projects Closed after FY1996

Approval FY	Proj. ID	Project Name	IBRD/IDA Amount	Outcome	Sustainability	ID Impact
1996	P043231	Institution Building and Technical Assistance Credit (IBTA)	5	SATISFACTORY	LIKELY	SUBSTANTIAL
1997	P044202	Pilot Poverty Alleviation Project	12	MODERATELY SATISFACTORY	UNLIKELY	MODEST
1997	P008863	Agricultural Recovery and Social Protection (ARSP) Credit	50	MODERATELY UNSATISFACTORY	LIKELY	MODEST
1998	P053386	Post Conflict Reconstruction	10	SATISFACTORY	UNLIKELY	MODEST
1999	P055133	Post Conflict Rehabilitation	10	SATISFACTORY	LIKELY	MODEST
1999	P047438	Structural Adjustment Credit I	50	SATISFACTORY	LIKELY	HIGH
1999	P057953	Education (LII)	5	SATISFACTORY	UNLIKELY	MODEST
1999	P059055	Emergency Flood Assistance	5	UNSATISFACTORY	UNLIKELY	NEGLECTIBLE
2001	P046047	Structural Adjustment Credit II	50	MODERATELY SATISFACTORY	LIKELY	MODEST
Region						
Tajikistan			Total Evaluated (\$M)	Total Evaluated (No)	Sustainability % Likely (No)	ID Impact % Subst (No)
ECA			197	9	88.9	55.6
World Bank			3,227	26	65.4	46.2
			17,800	230	46.7	36.8

Source: World Bank, SAP Business Warehouse Table 2a.1 IBRD/IDA No. of Operations and Commitments (including supplements), 4.a.3, and 4.a.5, May 25, 2005.

Annex Table 3: Portfolio Status FY 1998-2005

Country	Fiscal year	1998	1999	2000	2001	2002	2003	2004	2005
Tajikistan	# Proj	3	8	10	9	10	11	10	10
	Net Comm Amt	27.0	120.4	143.3	129.7	151.5	171.5	127.3	143.2
	# Proj At Risk	0	2	3	2	4	1	2	0
	% At Risk	0	25.0	30.0	22.2	40.0	9.1	20.0	0.0
Afghanistan	Comm At Risk	0	68.7	75.7	19.0	29.3	20.0	23.7	0.0
	% Commit at Risk	0	57.1	52.8	14.7	19.3	11.7	18.6	0.0
	# Proj	..	..	..	..	4	8	13	17
	Net Comm Amt	..	..	..	..	100.0	315.2	608.2	726.2
Kyrgyz Republic	# Proj At Risk	..	..	..	..	0	3	1	3
	% At Risk	..	..	..	..	0	37.5	7.7	17.6
	Comm At Risk	..	..	..	..	0	85.0	15.0	176.0
	% Commit at Risk	..	..	..	..	0	27.0	2.5	24.2
Turkmenistan	# Proj	11	13	14	15	14	14	16	16
	Net Comm Amt	226.4	243.9	226.9	262.4	255.5	259.2	278.1	244.2
	# Proj At Risk	1	2	2	2	1	1	4	3
	% At Risk	9.1	15.4	14.3	13.3	7.1	7.1	25.0	18.8
Uzbekistan	Comm At Risk	15.0	46.6	31.0	57.0	10.0	15.0	77.8	60.0
	% Commit at Risk	6.6	19.1	13.7	21.7	3.9	5.8	28.0	24.6
	# Proj	3	3	3	2	2	1	..	..
	Net Comm Amt	89.5	74.5	70.1	45.1	45.1	14.8	..	..
Tajikistan	# Proj At Risk	1	3	3	2	1	0	..	..
	% At Risk	33.3	100	100	100	50	0	..	..
	Comm At Risk	25.0	74.5	70.1	45.1	30.3	0	..	..
	% Commit at Risk	27.9	100	100	100	67.2	0	..	..
Uzbekistan	# Proj	5	7	8	7	8	9	8	7
	Net Comm Amt	214.0	269.0	298.0	277.0	287.1	345.5	302.8	285.0
	# Proj At Risk	2	3	4	3	4	4	5	3
	% At Risk	40.0	42.9	50.0	42.9	50.0	44.4	62.5	42.9
Afghanistan	Comm At Risk	87.0	171.0	199.0	132.0	162.0	170.3	188.8	153.3
	% Commit at Risk	40.7	63.6	66.8	47.7	56.4	49.3	62.4	53.8

Source: World Bank, Business Warehouse, Table 3a.4, July 5, 2005.

Annex Table 4: Tajikistan Planned and Delivered Economic and Sector Work FY03-05

Explicitly Planned Reports	Planned Delivery	Actual Delivery	Report No.
Public Expenditure Review	FY03	06/30/2004 (FY04)	..
Country Procurement Assessment Report	FY03	06/23/2003 (FY03)	29245
Country Financial Accountability Assessment	FY03	06/25/2003 (FY03)	29693
Utility Reform Study	FY03	05/03/2005 (FY05)	..
Scale up CDD in Central Asia (CDD Review)	FY03	06/19/2003 (FY03)	..
Regional Paper and Workshop on Microfinance	FY03	04/15/2003 (FY03)	..
Poverty Assessment	FY04	06/01/2004 (FY04)	30853
Health Sector Note	FY04	06/30/2004 (FY04)	..
Business Environment and Investment Climate Review	FY04	05/16/2005 (FY05)	..
Gender Assessment	FY05	05/13/2005 (FY05)	..
Country Economic Memorandum - Replaced by Policy Notes (public sector wages, aviation, remittances)	FY05	..	..
Social Dimension of Regional Differences	FY05	..	..
Review on Future Directions in Agriculture	FY05	..	..
Other Economic and Sector Work mentioned in CAS 2003			
Trade and Transport Facilitation	..	(FY05)	Coverage
Water Management	..	(FY04)	Provide analytical basis
Central Asia Regional Electricity Export Potential Study	..	(FY05)	Encourage Central Asia to work together
Communicable Diseases (two reports on AIDS and Tuberculosis)	..	(FY04/05)	Identify the potential of and impediments for electricity exports outside of Central Asia
Knowledge Sharing	..	(ongoing)	Carry out study on HIV and Tuberculosis
Strengthening Civil Society	..	(FY03)	Set up distance learning centers in each country
World Bank Institute's CDD programs	..	(ongoing)	A regional competition of NGO projects: Innovation Day
IDF grant on Empowering Mahallas	..	..	Create and support the Community Empowerment Network in Central Asia (Did not materialize)
Other Economic and Sector Work done			
Poverty and Social Impact Analysis	..	06/24/2004 (FY04)	Coverage
Trade Diagnostic Study	FY05	06/30/2005 (FY05)	Welfare Implications of Cotton Farmland Privatization
Public Sector Wages Note	FY05	06/30/2005 (FY05)	Trade barriers and opportunities
Note on Aviation	FY05	..	Public Sector wage policy
A Strategic Financial Sector Assessment	..	(FY05)	Aviation Sector
			Increasing Access to Finance and Intermediation in the Banking Sector

Source: World Bank, Imagebank, April 18, 2005, and Tajikistan Country Assistance Strategy, 2003.

Annex Table 5: Tajikistan - Economic and Social Indicators 1994-2004

Series Name	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004*	Tajikistan	Low income	CIS Countries	Kyrgyz Republic	Uzbekistan	Turkmenistan
Health and Sanitation																	
Immunization, DPT (% of children ages 12-23 months)	79.0	79.0	80.0	80.0	81.0	82.0	83.0	83.0	80.0	82.0		80.9	61.0	90.5	95.9	93.6	96.3
Improved water source (% of population with access)									58.0			58.0	74.9	92.8	76.0	89.0	71.0
Improved sanitation facilities (% of population with access)	66.0	68.3	68.4	68.4					53.0	66.3		53.0	35.5	79.9	60.0	57.0	62.0
Life expectancy at birth, total (years)									66.6			67.3	58.0	66.9	66.2	67.6	64.9
Mortality rate, infant (per 1,000 live births)	5.7	5.8	5.9	6.0	6.1	6.2	6.2	6.2	6.3	6.3	6.3	81.7	79.8	28.6	60.7	59.3	76.0
Population, total (millions)	28.4	27.6	27.6	27.6	27.6	27.6	27.6	27.6	27.6	27.6	27.6	6.1	2125.4	282.4	4.8	24.1	4.5
Urban population (% of total)	1.9	1.6	1.6	1.5	1.8	0.5	0.5	0.6	0.6	0.6	0.7	27.7	28.7	64.6	35.1	37.4	44.8
Population growth (annual %)	98.7	98.8	98.9	99.0	99.0	99.1	99.5					1.1	2.0	-0.1	1.1	1.6	2.0
Education and Human Capital																	
Literacy rate, adult total (% of people ages 15 and above)												99.0	56.7	93.1		99.1	98.8
School enrollment, primary (% gross)					8.5	8.1	8.7	9.6	10.1			9.0	21.7	66.6	10.8	28.1	
School enrollment, secondary (% gross)					103.1	104.5	104.3	106.8	110.3			106.8	90.9	102.5	100.4	102.7	
Growth and Wealth					75.7	75.6	78.5	82.0	85.8			79.6	42.7	90.2	87.5	95.4	
GDP growth (annual %)	-21.3	-12.4	-16.7	1.7	5.3	3.7	8.3	10.2	9.1	10.2	10.6	-0.2	5.1	-1.5	1.5	2.6	5.7
GNI per capita growth (annual %)	-22.8	-13.8	-18.0	0.2	3.4	3.1	7.7	9.6	8.5	9.5	9.9	-1.3	3.1	-1.6	0.4	1.0	3.7
GNI per capita, PPP (current international \$)	840	740	620	630	680	690	780	850	950	1040	1150	776	1659	5169	1371	1423	3479
GNI per capita, Atlas method (current US\$)	231	204	166	162	171	171	180	171	181	213	236	185	376		333	568	684
Production and Commerce																	
Agriculture, value added (% of GDP)	24.0	38.4	39.0	35.4	27.1	27.4	29.4	29.4	29.4	23.4	23.2	30.3	26.2	10.2	40.7	33.1	23.2
Industry, value added (% of GDP)	40.8	39.0	27.8	24.3	21.8	23.4	26.0	25.1	24.7	20.2	20.3	27.3	26.6	38.7	24.0	25.0	49.9
Services, etc. value added (% of GDP)	35.3	22.6	33.2	40.3	51.1	49.2	44.5	45.5	45.9	56.4	56.5	42.4	45.2	51.1	35.3	41.9	26.8
Exports of goods and services (% of GDP)							81.1	63.4	64.4	60.0	50.5	67.5	18.5	36.4	36.7	26.0	44.6
Imports of goods and services (% of GDP)							85.4	75.8	77.8	79.3	69.7	76.2	21.2	30.4	47.0	26.1	53.5
Current account balance (% of GDP)	-12.6	-7.2	-7.1	-6.7	-9.1	-3.3	-6.3	-6.8	-2.6	-2.6	-3.9	-6.4		4.5	-9.7	-0.1	-4.1
Government Finance																	
Total debt service (% of exports of goods and services)	0.1	0.0	0.1	6.2	14.2	11.3	7.8	11.5	11.3	9.1	10.4	7.2	16.3	10.3	17.9	17.1	14.6
External debt (% of GNI)	43.7	53.1	71.0	121.2	96.4	123.6	110.7	104.6	97.0	79.7	39.7	90.3	50.7	40.3	93.9	28.8	43.8
Total reserves in months of imports				0.5	0.8	0.9	1.3	1.3	1.1	1.3	2.0	1.0	5.8	3.1	3.1	4.5	7.4
Current revenue, excluding grants (% of GDP)id					9.3	10.2	10.5	11.4		15.0	15.2	10.3	12.5	17.1	15.8		
Current expenditure, total (% of GDP)id					-2.5	-0.8	-0.6	-0.1	-0.1	12.6	12.5	9.9		15.6	19.6		
Overall budget balance, excluding capital grants (% of GDP)id **										0.9	0.3	-0.9		-1.7	-4.7		
Gross domestic savings (% of GDP)										-0.3	11.0	11.9	19.1	28.7	7.6	20.4	24.4
Inflation, consumer prices (annual %)	29.7	19.5	18.9	13.0	6.4	15.9	7.3	4.3	4.6	16.4	7.1						
Note: Data for CIS countries based on own calculations. (*) Preliminary IMF data. (**) Overall fiscal balance (excluding Public Investment Program, PIP) in 2000-04.							32.9	38.6	12.2	16.4	7.1						

Source: World Bank, Statistical Information Management and Analysis (SIMA), April 18, 2005; IMF, March 2, 2005.

Annex Table 6: Net Transfers between Tajikistan and the World Bank/IMF
(in millions of U.S. dollars)

FY	Bank Gross Disbursements	Bank Repayments	Bank Interest and Fees	Bank Net Flows	IMF Net Flows
1997	50.7	0	0.1	50.7	22.2
1998	14.1	0	0.3	13.7	10.3
1999	31.0	0	0.6	30.4	70.5
2000	34.3	0	0.8	33.5	2.3
2001	24.4	0	1.0	23.4	15.6
2002	34.5	0	1.2	33.2	2.3
2003	9.8	0	1.4	8.3	-28.8
2004	44.9	0	1.9	43.0	-3.6
2005	26.3	0	1.8	24.5	16.9

Note: IMF data refer to the previous calendar year (one semester before) and was converted to U.S. dollars at the exchange rate of April 19, 2005. Positive numbers indicate inflow of funds to Tajikistan.

Sources: World Bank's Integrated Controller's Systems and International Monetary Fund, April 2005.

Annex Table 7: Tajikistan Millennium Development Goals

	1990	1994	1997	2000	2003
Goal 1: Eradicate extreme poverty and hunger					
Percentage share of income or consumption held by poorest 20%	..	..	..	..	7.9
Population below \$1 a day (%)	..	..	..	13.9	7.4
Population below minimum level of dietary energy consumption (%)	..	21	..	..	61
Poverty gap ratio at \$1 a day (incidence x depth of poverty)	..	..	..	3.4	1.3
Poverty headcount, national (% of population)	..	..	..	..	..
Prevalence of underweight in children (under five years of age)	..	..	..	..	..
Goal 2: Achieve universal primary education					
Net primary enrollment ratio (% of relevant age group)	76.7	..	85.3	..	..
Primary completion rate, total (% of relevant age group)	..	100	98	99	100
Proportion of pupils starting grade 1 who reach grade 5	..	..	..	..	..
Youth literacy rate (% ages 15-24)	99.8	99.8	99.8	99.8	..
Goal 3: Promote gender equality and empower women					
Proportion of seats held by women in national parliament (%)	..	..	3	3	13
Ratio of girls to boys in primary and secondary education (%)	..	..	89.8	87.1	87.9
Ratio of young literate females to males (% ages 15-24)	100	100	100	100	..
Share of women employed in the nonagricultural sector (%)	40.1	43	46.1	48.7	50.4
Goal 4: Reduce child mortality					
Immunization, measles (% of children ages 12-23 months)	..	90	83	87	89
Infant mortality rate (per 1,000 live births)	92	89	..	80	76
Under 5 mortality rate (per 1,000)	119	113	..	101	95
Goal 5: Improve maternal health					
Births attended by skilled health staff (% of total)	..	..	79	71.1	..
Maternal mortality ratio (modeled estimate, per 100,000 live births)	..	..	..	100	..
Goal 6: Combat HIV/AIDS, malaria, and other diseases					
Contraceptive prevalence rate (% of women ages 15-49)	..	..	..	34	..
Incidence of tuberculosis (per 100,000 people)	107.4	49.5	83.4	114.5	168.3
Number of children orphaned by HIV/AIDS	..	..	..	..	..
Prevalence of HIV, total (% of population aged 15-49)	..	..	..	..	0.1
Tuberculosis cases detected under DOTS (%)	..	..	..	..	2.4
Goal 7: Ensure environmental sustainability					
Access to an improved water source (% of population)	..	..	..	..	58
Access to improved sanitation (% of population)	..	..	..	..	53
Access to secure tenure (% of population)	..	..	..	..	..
CO2 emissions (metric tons per capita)	..	0.9	0.8	0.6	..
Forest area (% of total land area)	..	..	..	2.8	..
GDP per unit of energy use (2000 PPP \$ per kg oil equivalent)	..	1.6	1.3	1.7	1.8
Nationally protected areas (% of total land area)	..	..	..	..	4.2
Goal 8: Develop a global partnership for development					
Aid per capita (current US\$)	..	11.6	14.3	20.1	22.9
Debt service (% of exports)	..	..	..	..	..
Fixed line and mobile phone subscribers (per 1,000 people)	45.4	46.7	37.9	35.9	44.8
Internet users (per 1,000 people)	..	..	..	0.5	0.6
Personal computers (per 1,000 people)	..	..	..	..	..
Unemployment, youth female (% of female labor force ages 15-24)	..	..	..	..	..
Unemployment, youth male (% of male labor force ages 15-24)	..	..	..	..	..
Unemployment, youth total (% of total labor force ages 15-24)	..	..	..	..	..
Other					
Fertility rate, total (births per woman)	5.1	3.6	3.5	..	2.9
GNI per capita, Atlas method (current US\$)	..	230	160	180	210
GNI, Atlas method (current US\$) (billions)	..	1.3	1	1.1	1.3
Gross capital formation (% of GDP)	24.8	36.5	19.7	11.6	19
Life expectancy at birth, total (years)	69.3	66	68.4	..	66.3
Literacy rate, adult total (% of people ages 15 and above)	98.2	98.7	99	99.5	..
Population, total (millions)	5.3	5.7	6	6.2	6.3
Trade (% of GDP)	63	..	174.8	166.5	139.3

Source: World Development Indicators database, April 2005

Note: Figures in italics refer to periods other than those specified.