

# Tajikistan Restriction laws

## Attitude toward Foreign Direct Investment

Tajikistan courts mainly state-led investment and external loans from countries such as China, Russia, and Iran, although in the current economic climate Tajikistan appears to be more open to investment from Western Europe, East Asia, and the U.S. There are no laws that discriminate against foreign investors by prohibiting, limiting, or conditioning foreign investment in any economic sectors.

## Other Investment Policy Reviews

The United Nations Conference on Trade and Development (UNCTAD) presented a draft Investment Policy Review of Tajikistan on November of 2015 to stakeholders from the government, local and international private sector, and civil society and development partners. However, the final version of the report is not available to the public.

Tajikistan has not yet conducted a WTO Trade Policy Review. The WTO has not scheduled a review for Tajikistan in 2016.

## Laws/Regulations on Foreign Direct Investment

Article 4 of Tajikistan's Investment Law guarantees equal rights for both local and foreign investors. Most of Tajikistan's current international agreements guarantee the most-favored-nation status. Per domestic law, foreigners can invest by jointly owning shares in existing companies with either other Tajik companies or Tajik citizens, by creating fully foreign-owned companies which operate according to Tajik law, or by concluding agreements with legal entities or citizens of Tajikistan that provide for other forms of foreign investment activity. Foreign firms may acquire assets, including shares and other securities, as well as land and mineral usage rights. Foreign firms may also exercise all property rights to which they are entitled, either independently or shared with other Tajik companies and citizens of Tajikistan.

Tajik law recognizes the sanctity of contracts, but judicial enforcement is poor. The judicial system lacks transparency.

[www.mmk.tj](http://www.mmk.tj) is a repository of Tajikistan's laws, regulations and policies.

[www.doingbusiness.org/data/exploreeconomies/tajikistan](http://www.doingbusiness.org/data/exploreeconomies/tajikistan) is the World Bank site that summarizes the steps required to complete various business functions in Tajikistan and calculates the average time required for each step.

[tpp.tj/put2011/about\\_establish\\_company\\_eng.html](http://tpp.tj/put2011/about_establish_company_eng.html) is the website of the Tajik Chamber of Commerce and Industry; it lists steps required to establish a business in Tajikistan.

[amcu.gki.tj/eng/](http://amcu.gki.tj/eng/) is the official site of the State Committee on Investments and State Property Management of the Republic of Tajikistan.

### *Business Registration*

Although Tajikistan has simplified business registration, the process still requires resources and time. The Tax Committee is the primary responsible agency for business registration ([www.andoz.tj](http://www.andoz.tj)). In addition to obtaining the state registration, a company must also register with the Social Protection Agency; Statistics Agency; Ministry of Labor, Migration, and Employment; Sanitary-Epidemiological Service; as well as the local authorities, municipal services, and few other agencies). Registering a business according to the regulations should take less than five working days; in reality it may take up to 10 days or more. There is no regime to allow simplified business creation without a notary.

The State Committee on State Property Management and Attraction of Investments is the key agency which collects information and project proposals from investors. However, numerous other agencies are involved in the investment coordination process, making it cumbersome.

Tajik legislation and regulation consider enterprises to be micro if they have less than 10 employees, small if they have less than 50 employees and less than 500,000 somoni in annual operations, and medium if they have less than 100 employees. The international donor community, in coordination with the government, funds a number of projects which stimulate development of MSMEs in Tajikistan. Foreign-owned MSMEs can also apply for these programs.

### **Industrial Strategy**

There is no sector-specific government program designed to attract investment. The State Committee on Investments and State Property Management's website ([amcu.gki.tj/eng/](http://amcu.gki.tj/eng/)) lists government-promoted investment opportunities.

### **Limits on Foreign Control and Right to Private Ownership and Establishment**

There are no limits on foreign ownership or control of firms, but local domestic law considers all land to belong exclusively to the state. There are no sector-specific restrictions that discriminate against market access.