Remarks (draft)

**Yevgeniy Zhukov, Director General for Central and West Asia**

**Asian Development Bank**

Meeting of the National Development Council

under the President of the Republic of Tajikistan

10 June 2024

Your Excellency President Emomali Rahmon,

Honorable ministers, distinguished guests, ladies and gentlemen,

Good morning!

It is an honor to join you today.

ADB and Tajikistan are trusted development partners for the past 26 years. We are proud of our role in the country’s development journey, and we are committed to continue supporting Tajikistan to be more resilient, diversified, and inclusive.

We are pleased to see the country’s strong macroeconomic performance. Tajikistan registered 8.3% growth last year driven by surges in agriculture and construction, as well as strong growth in services. Reported annual inflation hit a decade low rate of 3.8%.

I want to highlight two areas that are critical for Tajikistan’s high-quality growth and development going forward: (1) building resilience against the worsening climate crisis and extreme weather events; and (2) private sector development and domestic resource mobilization, as it is the private sector that plays a vital role in lifting people out of poverty, and which is the largest engine for growth and change.

ADB is committed to working with you in both areas.

As Asia and the Pacific's Climate Bank, ADB aims to provide $100 billion in climate finance by 2030 to support green transformative projects and increase support in the fight against climate risks and decarbonization of the region.

Tajikistan faces significant climate challenges and risks that could lead to irreversible economic, social, and environmental damage. Developing a green economy is key for the country’s sustainable growth. With a growing population, a shortage of arable land in Tajikistan has created high dependency on imported food, weakening food security and increasing the population’s vulnerability to natural hazards. The country has lost an estimated 20% of its glaciers in the past 34 years. This poses a major threat to the economy as the country is heavily dependent on glacier-fed rivers for irrigation and hydropower generation.

With ADB’s support, the government has prepared and approved the Green Economy Development Strategy (GEDS) up to 2027. The strategy outlines 11 priority areas, including energy efficiency, waste management systems, and ecotourism. The government is committed to expanding renewable energy capacity to 10,000 megawatts and achieving universal green electricity generation and net-zero emissions by 2037. ADB stands ready to help Tajikistan to retire coal fired generation early with our Energy Transition Mechanism. We further call for Tajikistan to adopt climate-friendly policies and introduce a comprehensive climate fiscal framework to improve planning, budgeting, and the execution of the policies set out in the GEDS. The government may also consider updating its public procurement policies and construction standards by integrating green economy principles.

Soon, we will jointly launch a Climate Finance Plan for Tajikistan that will help the country to increase access to domestic and international climate finance.

ADB has been pleased to see Tajikistan prioritizing structural reforms to promote private sector growth. Further support is needed to strengthen the investment climate and the entrepreneurial base in the country, with enhanced competition and a wider range of corporate investors. A strong local economy providing decent jobs reduces dependence on labor migration, especially in times of external uncertainty.

ADB has public sector operations and private sector operations under one roof to deliver a comprehensive range of financial and knowledge support to Tajikistan. Our work with the private sector in the country has been limited to trade finance to date, but we look forward to expanding it. We must work aggressively to find new ways and partnerships to catalyze private investments in the country.

I thank the government of Tajikistan for inviting ADB to participate in this meeting. I convey my good wishes for the continued progress of the country and for the happiness of its people.

Thank you and salomat boshed!