

Government of the Republic of Tajikistan

RESOLUTION

On endorsement of the National Earmarked Development Program for the Transportation Sector of the Republic of Tajikistan up to 2025

In accordance with Article 7 of the Law of the Republic of Tajikistan "On transportation", with the purpose of development of the transportation sector and identify the priority areas in this sector the Government of the Republic of Tajikistan enacts:

Approved by the Resolution of the
Government of the Republic of Tajikistan

With the development of road transport, the rail network expansion to make it the largest carrier in the field of international traffic has been also identified as an important factor in the transport structure of the country. Special attention in this area is given to construction of

The main objective of the program is to

4) The Program was developed based

9) However, it should be noted there is a ~~ban~~ of serious problems that may further level in general the positive trends of the recent years. These problems include:

- High (50-70 percent in some regions and ~~to se-~~ctors) depreciation of ~~oll~~ing stock (trains, cars);

- Price dynamics of transport services ~~ces~~ constantly exceeding the inflation rate;

the transportation sector is focused primarily on provision of long-distance passenger transportation as well as on urgent delivery of expensive goods in small lots.

Air traffic operations of the Republic are performed by four international airports, three domestic airlines operating for more than 58 thousand Km. of air routes.

The air fleet in the country includes 37 units total, 33 aircrafts and 4 helicopters. 45 percent of airplanes and 75 percent of helicopters out of total number of aircrafts are operational.

Aircraft operators mainly use aircrafts of CIS production, which are uncompetitive on international routes. To increase the activity of aviation services and create competition on international routes from 2007 up to date, local airlines purchased and use modern aircrafts - "Boeing", which meet international requirements and more than 90 percent of international transportation was performed by these aircrafts.

The share of international air traffic of the Republic of Tajikistan with Russian Federation is 87 percent, with People's Republic of China 4,7 percent and 4.1 percent with Turkey. The remaining part of international flights is performed to Kazakhstan, Kyrgyzstan, Iran and UAE.

It should be noted that the share of domestic flights in total number of international traffic is about 45 percent. About 70 percent of all international flights is carried out from Dushanbe

important in determining the priority of cargo and passenger transportation between the road and rail transport.

Density of road network per 1,000 sq. km. area of the Republic of Tajikistan in 2010 was 187.0 km (including paved roads - 104.4 km), which is substantially lower than that of developed countries (USA -600, Canada, 300 km/1000 km).

The issue of paving the roads with asphalt contains the regional aspects of great socio-economic importance.

According to statistics, the road network in Tajikistan in 2008 was 26 766 km. All the roads are public. The network of public roads under the Ministry of Transportation and Communications consists of 13 975 km of roads (52.2% of the network). Departmental roads are 12 791 km, i.e. 47.8% of the whole road network. The network of public roads for general use includes 5291 km. of national and 8684 km. of local roads, i.e. 37.9% and 62.1% respectively.

National roads are main arteries, forming a network of roads, which are indexed and include 17 international and 86 national roads.

It should be noted that in accordance with classification of roads in the country there are almost no roads of category I and only 1.1% of roads belong to category II. In addition, 23.1 percent of national and 84 percent of local roads belong to the category V.

By type of coating 28 percent of the length of roads is asphalt coating, 45 percent - bitumen-treated gravel and the remaining 27 percent is gravel, untreated bitumen.

42 percent of other national roads have the length less than 10 km and 92 per cent - less than

these roads (more than 60 percent) are less than 5 km and about 12 percent of these roads have the length of more than 25 km.

The length of the departmental roads is 12,791 km. These are mainly the industrial,

The dominant kind of transport for conveyance of passengers and freights in the country is the railway transportation. The analysis shows that 25.9 percent of all international passenger traffic is carried by road, 32.0 percent by railways and 40.9 percent by air. International freight transportation is mainly carried by railways (5.9 percent) and motor trucks (3.5 percent). Long distance transportation, 1421 km on average is the ideal distance for railway transportation and the railways will likely retain its dominant position in this field. An effective transportation system is an integral part of any economy. Geographical position of Tajikistan is favorable to make it as a bridge country between the East and South Asia (Islamic Republic of Afghanistan, Republic of China, Japan, India, Malaysia and Singapore) and countries in Central Asia, the CIS and South-West Asia.

Creation of free economic zones in Sogd and Khatlon Oblasts could facilitate economic activity of international corridors. Further optimization of material and information flows depending of situations on the markets and adequate provision of economic competitiveness of transport enterprises is possible based on improved communication and establishment of regional logistics systems covering the whole chain of physical distribution of freights with maximum effective communication between consignors and consignees.

4. Subsector development program up to 2025

16) Based on the findings of the analysis of separate transportation sectors in the country and tasks identified by National Development Strategy and other short-term and long-term programs of social and economic development of the country and with the purpose of achievement of the main objective – to take the country from communication deadlock and its transformation into the transit country in the region, National earmarked program for transport sector development of the Republic was developed for specific periods: short-term up to 2015, medium-term up to 2020 and long-term period up to 2025.

1. Development of motor transport

17) In the short term perspective, public investments will be directed on purchasing of buses and trolleybuses for city of Dushanbe and Oblast centers. Private entrepreneurs will be involved based on soft lending, mainly for interurban and international transportation of passengers and cargoes, as well as for local transportations by small buses.

During this period, it is provided to establish the national network of logistics service in urban, regional and district centers, and international logistics centers in such cities as: Vahdat,

Khujand and Nizhny Panj. Construction of border point terminals is planned to be built during the 2012-2014 period.

In the medium term it is supposed to create trolleybus parks, traction substations and traction networks in the city of Kurgan-Tube and city of Kulyab as well as provide concessional loans to participants of international transportation to purchase vehicles that meet international standards.

Increase of the passenger flow and increase of population justify in the long-term run the necessity to provide in the towns located around the capital such as: Vakhdat, Tursun-Zade, Hissar and Somoni town in Rudaki as well as in Kurgan-Tube city and Sarband town trolleybus suburban line.

During this period as well as in the medium perspective it would be provided to allocate soft lending for purchase of vehicles for participants of international transportation, tentative amount of which is \$0,5 million US Dollars per year.

Investment schedule for the motor transport development program with identification of major activities is given in the following table:

Table 1

Program for development of motor transport of general use

(in million US Dollars)

№	Indicators	Timeframe				Executive body
		up to	up to	up to	Total	
		2015	2020	2025		
1	Project for development of public transportation of Dushanbe city	6.2	4.9		11.1	Executive government authorities of Dushanbe city
2	Establishment of logistics centers at the national level	1,5			1,5	Ministry of Transportation and Communication of the Republic of Tajikistan (MTC RT)
3	Construction of border terminals	15,0			15,0	MTC RT

4 Purchasing of transport for

During this period the detailed feasibility studies carried out and financial justifications be provided for the construction of major rail networks: Kolkhozabad - Nizhniy Pyanj - the border of Afghanistan, Wahdat-Karamik (the border of Kyrgyzstan), Tajik railway connection (Ayvadzh) through Afghanistan to the railroad Turkmenistan and North-South line which ensure connection of the center of Republic of Tajikistan with Sughd Oblsat.

20) In the short term period:

- the construction of the Wahdat-Javan site the future railway from Dushanbe to Kurgan-Tube will continue;
- replacement of sleepers, ballast tracks renewal will continue;
- some measure will be taken to repair and maintain around 150 bridges to prevent corrosion and avoid further destruction;
- 20 mainline and 9 shunting locomotives will be purchased;

21) In the medium term:

- works on replacing the sleepers, railway lines, with emphasis on renewal of rails will continue;

- 55 bridges will be reconstructed;
- seven main railway locomotives will be purchased;
- freight wagons will be purchased and restored;
- construction of a railway-Karamykahdat (the border and Kolkhozabad-Nizhniy Panj-border with Islamic Republic of Afghanistan);

It is also envisaged that in this period from \$0.4mln to \$0.5 mln. US Dollars will be allocated on an annual basis to subsidize suburban unprofitable railway communications.

22) In the long term period:

- works on the replacement of sleepers and rail tracks with renewal of rails will continue;
- 10 bridges will be rehabilitated-freight wagons will be fully renewed;
- locomotive depot will be modernized (renewed);
- construction of the railway "North – South" will be launched.

23) Subsidies to suburban unprofitable railway communications up to 2025 will amount on average \$0.6 million US Dollars per year.

Table 2

Investments in development of railway transportation

(in million US Dollars)

№	Indicators	Timeframe				Executive body
		up to	up to	up to	Total:	
		2015	2020	2025		

3. Development of civil aviation

24) Based on the analysis, as well as technical, financial and economic feasibility studies it is expected to take all measures necessary for the implementation of public investment in the Civil Aviation sector.

The restructuring and reform process in this area will continue together with strengthening of the regulatory framework and creation of the competitive environment for new market entrants.

25) In the short term period the construction of the international terminal at the Dushanbe Airport will be completed. During this period, it is also planned to update the fleet and equipment of SUE "Tajik Air Navigation Services"

26) In the medium term privatization of joint-stock companies in the civil aviation structure which carry out their activities, in a competitive environment is planned and no financial support is expected to be provided to these enterprises from the state budget from that moment. The subsidiaries such as ticket sales agencies, refueling company, catering company and hotel services will be privatized as well.

27) In the medium-term period implementation of the following investment projects is expected:

- construction of new control and dispatch center in Dushanbe city;

- rehabilitation of runway and taxiway in Kulyab Airport;

- extension of the runway at the Kurgan-Tube Airport to 800 meters, reconstruction of taxiways;

- reconstruction of the Kurgan-Tube International Airport.

28) The issue of subsidization of domestic flights will be addressed on a tender basis between all air service providers. Contracts will be awarded based on evaluation of benefits in the declared cost together with the required quality of service and subsidies requested in tender bids.

Air Traffic Control will remain as state owned enterprise but the fees to be charged for the services provided shall cover long-term costs.

29) In the long run (after 2019) it is planned to build the second runway in the Dushanbe Airport which will amount to \$40 million US Dollars.

Rehabilitation of local airports will be launched to use the small aircrafts. Use of aviation in agriculture and forestry management will be scaled up in the country.

30) Investments required for the development of civil aviation up to 2025 are given in the Table 3 below.

Table 3

Investments for development of civil aviation

(in mln.US Dollars)

	Timeframe
Indicators	

Executive body

4. Development of road networks

31) The analysis of the roads showed that approximately 75 percent of the national (republican) roads completely or partially lost its asphalt coating and from 60 to 80 percent of roads is not suitable for maintenance without significant rehabilitation. More than 48 percent of road network does not allow for increase of speed for more than 35km/hour. After rehabilitation it is expected that the network will have a capacity to service projected road traffic up to 2025.

In the short-term period the priority will be given to investments for rehabilitation of the international road Vahdat-Daroga which includes the construction of a Chormagzak tunnel and because of the construction of Rogun dam, a completion of 75 km. of replacing site between Obi Garm and Nurabad on the road Dushanbe-Karamik (border with Kyrgyzstan), and continuation of projects on the sites Darabe-Kulyab-KalaiKhum and Dushanbe-Tursun-Zade.

Rehabilitation of 166 bridges is also envisaged in this period and will totally amount to more than \$ 8 million US Dollars.

Under the medium term program (for 2014-2019) it is provided to attract investments for reconstruction and rehabilitation of interna

new projects with the total length of 1080.1 km are estimated at 238 million U.S. dollars. The expected economic return on investment is 17.9 percent.

In the long term, opportunities of the Government of the Republic of Tajikistan to allocate more funding for the implementation of rehabilitation programs will be much better. However, the concessional lending will still remain a major source of financing of these activities.

In the long-term period it is planned to carry out the rehabilitation of the bridges which will amount \$ 5.5 million U.S. Dollars.

3	National (Republican)	Km.	102,5	578,1	1061,3	1741,9	MTC RT
		Amount	20,2	92,0	191,2	303,4	
4	Construction and rehabilitation of bridges	m.	4854,0	6325,0	5786,0	16965,0	MTC RT
		Amount	8,1	6,6	5,5	20,2	
5	Investments on maintenance of automobile roads		63,5	166,8	287,4	517,7	MTC RT
Total	US Dollars		501,7	680,0	1152,2	2333,9	
	TJ Somoni		2209,0	2994,0	5073,0	10275,9	

Investment plan for separate sites of the roads is given in the Table 5 and for bridges in the Table 6 with detailed explanation of the names and reconstruction timeframes.

Table 5

Investment prog8-10nveSg8-ent prog8-10nveSg9tveShe T

Republican Road (RR) 004	Pugus – Safedorak	18,3	3 682 465	Short-term
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RR 028	Nurishark – Somoni – Chorkul	29,9	3 464 962	Medium-term
RR 029	1 km IR 08 – rayon center of Mir Said Ali Khamodani	13,1	1 518 094	Medium-term
RR 030	Kurbonshakhid – Temurmaliq	21,0	4 133 976	Medium-term
RR 038	456 km IR 04 – Vanch	61,3	7 103 750	Medium-term
RR 040	39 km 06 – to Garmchashma resort place	6,2	1 220 507	Medium-term
RR 042	Dushanbe – Yavan – Abdurahmoni Jomi – Ujali	107,0	12 399 695	Medium-term
RD 043	Rudaki – crossroad Ijar	11,6	1 344 266	Medium-term
RD 045	Rudaki – Shurtugai	80,9	12 138 883	Medium-term
RD 049	Dekhkan farm «Russia» Dekhkan farm «Guliston»	9,1	1 054 554	Medium-term
RR 051	Khodjamaston – Kizil Kala	13,5	1 564 448	Medium-term
RR 052	CJSC Tajikistan – Cyprus Kime	4,5	521 483	Medium-term
RR 059	Uzup - "Tigrovaja Balka" reserve	32,5	4 876 560	Medium-term
RR 074	Kanibadam – Spitamen – Khudjand from Okten side	8,4	973 451	Medium-term
RR 084	Access road to Kanibadam railw			

RR 056	Access road to Kurgan-Tube railway station	0,9	104 297	Long-term
RR 057	Access road to Sarband	2,0	231 770	Long-term
RR 058	Access road to Kurgan-Tube	9,8	1 135 673	Long-term
RR 060	Jilikul – Garauti	9,2	1 066 142	Long-term

Table 6

Investment program for rehabilitation of bridges up to 2025

Rank and Index of the road	Road site	Total of bridges	Rehabilitated in running meter	Cost per
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multimodal transportation of goods will belong to the public network of logistics centers in the cities of Tursunzade and Vahdat. Railway line

- relocating the transit highways and the highways with cargo traffic away from residential areas;
- bringing the transportation infrastructure in compliance with international standards on environmental properties;
- Application of new types of mixtures and compounds in air conditioning systems and refrigerator carts to replace Freon;
- reequipping the fleet of aircrafts with planes of new generation and modernization of the air traffic organization system;
- Construction of noise reduction structures and green areas;
- creating the protective lanes roadside areas along the highways.

39) With regard to protection of water resources, the program includes:

- creating modern carwash facilities at entry points of the cities in the country for transit vehicles;
- Collection and disposal of the snow from city highways through introduction of snow melting plants equipped with wa

- in order to exclude degrading (pollution) the soils with chemical agents within the borderline of roadside lanes as a result of application of anti-icing agents, it is required to use compositions that do not have negative impact on natural facilities;

- introduce effective measures to prevent burying of railroad bed and attached territory;

41) In part of waste management:

- collection and utilization of vehicles thrown roadsides;

- cleaning of roadsides from solid wastes;

- organization of transportation of hazardous goods and wastes;

- equip bus stops with the containers for solid wastes;

- organization of collection and processing of vehicles subj

3. Transfer motor transport to use gas as a fuel	Automobile owners	3,8	1,8	1,0	1,0
4. Establishment of car washes at the city entrances	External (foreign) financing	2,6	0,2	1,2	1,2
5. Establish production on utilization (treatment) of automobiles and wastes from it operation	External (foreign) financing	6,3	2,3	4,0	-
6. Develop and implement project on reprocessing and recycling of motor oils and lubricants	External (foreign) financing	4,2	1,9	2,3	-
Total		26,0	10,3	11,0	4,7
Railway transportation					
1. Application of the new binary mixtures of freon 22 and 134 in air conditioners and refrigerator wagons instead of CFC-12	Own funds (50%) and External (foreign) financing (50%)	0,12	-	0,06	0,06
2. Application of water-soluble paints, water-based materials	Own funds (50%) and External (foreign) financing (50%)	0,34	-	0,14	0,2
3. Development of closed water supply systems for cars and the locomotive depot	Own funds (50%) and External (foreign) financing (50%)	0,26	0,08	0,08	0,1
Total		0,72	0,08	0,28	0,36
Air transportation					
1. Implementation of an integrated technology for thermal treatment and disposal of industrial, domestic and oily	Own funds (50%) and External (foreign) financing	4,8	-	2,2	2,6

wastes	(50%)				
2. Introduction of recycling water supply, limiting consumption of drinking water in production processes	Own funds (50%) and External (foreign) financing (50%)	0,34	0,08	0,18	0,08
Total		5,14	0,08	2,38	2,68
Automobile (motor) roads					
1. Create protective forest plantations at the roadsides along the roads (highways)	RT State Budget	Provided by the financing to be allocated for road maintenance			
2. Purchase and use of special antifreezing agents (compounds), which do not have adverse effects on environment	RT State Budget				
Total	US Dollars	31,86	10,46	13,66	7,74
	TJ Somoni	139,5	45,8	59,8	33,9

6. Transport Sector Information Program

43) The main goal of the Program is to improve the efficiency government regulation measures based on wide-scale use of information and communication technologies, to improve the safety level of the transportation sector based on obtaining complete, reliable and operational information about traffic situation, timely identification of negative trends and

List of Arrangements of the Transportation Sector Information System

Name	Goal	Description	Amount (thousand USD)
1	2	3	4
Creating Highway Information System (CHIS)	<p>The main goal of CHIS is in providing the employees of the Ministry of Transportation of the Republic of Tajikistan of all levels with single and sustainable instrument promoting the performance of their duties:</p> <ul style="list-style-type: none"> - Ensuring highway connection between the cities and villages inside the country and neighboring countries; - Improving, maintaining and expanding existing road network; - Conducting arrangements on traffic safety and environment condition management; - Implementing information technologies in construction, maintenance and work of MTC in road sector. 	<p>It is envisaged that completion of CHIS will provide access to the latest data of information system, such as:</p> <ul style="list-style-type: none"> - Data on available quantity (roads, bridges and drainage structures); - Structure of road pavement; - Data on traffic range of axial load, data on accidents, and data on cost of the works on maintenance of highways, bridges and tunnels. 	2,567.0
Creating a single information system to support economic regulation in the transportation	<p>Improving the efficiency of the tariff and pricing and subsidizing policy based on:</p> <ul style="list-style-type: none"> - Efficiency count and analysis of the existing tariffs on all types of transportation and affordability 	<p>Creating the single information and analytical system will provide collection, consolidation and analysis of data on existing tariffs, amounts of subsidies, and services to population, and modeling the impact of size of tariffs, subsidies for</p>	207.7

sector of the
Republic of
Tajikistan

European system of

country

- Informational support
of the strategic

The third principle is wide use of opportunities for joint financing of the projects and arrangements of the Program by shareholders. This principle suggests study and implementation of mechanisms and procedures ensuring agreed and responsible actions of the Project participants through whole cycle of implementation of projects and arrangements.

The fourth principle is leading role of the government in creating general legal, informational and other conditions of th

50) The following funding sources will be used to raise funds:

- funding from the state budget within the limits envisioned for these purposes during the relevant fiscal years;

- Funds of the transportation sector enterprises;

- Investment loans and other attracted funds.

51) The main objectives for the implementation of the Program are:

- ensuring coordinated actions on implementation of the Program accordance with the priorities of transportation strategy;

- preparing annual plans of implementation of the Program arrangements and control over their execution;

- attracting investors to implement attractive projects;

- ensuring efficient and purposeful use of budget funds and funds from non-budgetary sources in accordance with priorities set by the Program;

- implementing the mechanisms ensuring reduction of time and funds to obtain permits, agreements, expert conclusions and for making required decisions by various authorities and bodies of executive government during implementation of strategic projects;

- adjusting the program arrangements and program objectives in accordance with conditions for functioning of the economy of the Republic of Tajikistan approved by the Government of the Republic of Tajikistan with regard to the development of transportation sector.

52) Funding the development of standard and technical, feasibility and scientific studies is planned to be provided from funds allocated from the budget of the Republic of Tajikistan, as well as with attracting funds from operator companies and unions. In connection with the large number of facilities included into the program, the majority of calculation is done according to enlarged rates.

While planning the ratio of costs on infrastructure and carrying equipment according to conclusions and evaluations, this ratio should be 50%/50% for urban transportation; and 65%/35% for regional transportation, respectively.

Expenditure planned for the period of 2010-2020 on the Program in general is determined based on the GDP growth within range of 5-4 percent, including the growth of the transportation means for 6-7 percent.

53) The total amount of expenditure on implementation of the Program arrangements is 43662.2 million TJS (9920.9 million USD based on the exchange rate of the National Bank of 1 USD = 4.4 TJS), which includes 3565.1 million TJS from state budget funds (1824.2 million TJS from republican budget, 1705.1 million TJS from local budgets), 3449.9 million TJS from enterprises and 37196.7 million TJS of attracted funds.

Borrowed funds generally include concessional loans and grants. The concessional loans are payable during the period of 20 years with real interest rate of 1%.

Efficiency evaluation of the implementation of the Program arrangements for the purpose of their monitoring was conducted according to indicators of public, commercial and budgetary

The Program stipulates reduction in the number of traffic accidents. As a result of implementation of the Program it will be possible to prevent more than 10 thousand traffic accidents to save about 2.3 thousand lives of people.