Investing in rural people in Tajikistan

Tajikistan is a mountainous landlocked country with China to the east and Afghanistan to the south. Its population is estimated at 8.7 million people (2016). Tajikistan has one of the lowest per capita GDPs among the former Soviet republics. Tajikistan had a gross national income per capita of US$990 in 2017. The country’s economy is mainly dominated by the production of aluminium, cotton and electricity, supplemented by remittances from migrant workers.

Despite rapid economic growth in recent years, Tajikistan’s economy remains fragile due to the uneven implementation of structural reforms, weak governance, widespread unemployment, seasonal power shortages, a fragile banking sector and a heavy external debt burden. In contrast to the trend in most developing countries, Tajikistan’s rural population, which makes up about 60 per cent of the total population, is increasing rather than decreasing. This reflects the traditionally higher fertility rate in the countryside and reduced employment opportunities in urban centres.

Agriculture is a major component of the Tajik economy; in 2015, it accounted for 24.9 per cent of the country’s GDP. Despite its critical importance, the agricultural resource base is characterized by limited arable land and a lack of investment in infrastructure, farm machinery and agricultural equipment.
Livestock is a key part of the agricultural sector, especially for the rural poor who only have access to community land. However, the ability of livestock farmers to optimize the use of pastures is constrained by many problems, such as a lack of technical knowledge among small livestock holders, poor governance arrangements on pasture management, inefficient management of community livestock, shortage of feed during winter months, environmental degradation, and lack of access to quality fodder seed – all of which are further exacerbated by climate change. Food insecurity and malnutrition remain high in poor rural households, especially among children.

Eradicating rural poverty in Tajikistan

Following independence, the Government of Tajikistan did a remarkable job in reducing poverty, which fell from more than 83 per cent in 2000 to about 30.3 per cent in 2016. The Government has adopted national policies to eradicate rural poverty in the country. These include the National Poverty Reduction Strategy 2010-2012, the National Development Strategy 2016-2030, the National Food Security Programme, and the Medium-term Development Strategy. IFAD works closely with the Government in its efforts to eradicate rural poverty in the country. Its main partners include the Ministry of Agriculture and the Ministry of Finance.

IFAD’s strategy in Tajikistan

IFAD has been investing in the rural poor in Tajikistan since 2008, by strengthening local institutions and grass-roots organizations, and expanding their access to land, productive technologies and resources. It has provided financing worth US$77.3 million to a total of four loan-financed projects/programmes with an overall cost of US$91.6 million and directly benefiting 127,310 households. The IFAD country programme has been designed in collaboration with the Government and aims at supporting the livestock sector in the country and increasing the nutritional status and incomes of the rural poor. Overall, the impact of the IFAD country portfolio has benefited rural communities through increased investment in productive infrastructure and equipment, better management of the resource base, increased viability of agricultural production, and improved animal health and productivity. Through the Livestock and Pasture Development Project Phase I (2011-2018), for example, 22,400 households in the Khatlon region have been able to increase their nutritional status and incomes by enhancing their livestock productivity.

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Ongoing operations

Community-Based Agricultural Support Project

This project has a duration of seven years (2018-2024) for a total cost of US$39.3 million, with IFAD providing US$30.7 million in financing, and the Food and Agriculture Organization of the United Nations a further US$0.2 million in cofinancing. The project is designed to stimulate inclusive economic growth and poverty reduction in poor rural communities through improving access to productive infrastructure and services that lead to sustainable agricultural production and equitable returns. Intended to directly benefit 48,160 households in the Soghd and Khatlon regions, the project aims to tackle the lack of access to modern farming technologies of the poorest smallholders in remote villages and to support private-sector mechanized service providers and maintenance services.

Livestock and Pasture Development Project II

The Livestock and Pasture Development Project II builds on its predecessor, LPDP Phase I. Its total cost will be US$24.2 million, with IFAD providing US$22.4 million in financing. Running from 2016 to 2021 in the Khatlon region, it is intended to benefit 38,000 households. The project aims to reduce the vulnerability of pasture communities to the increased threat posed by changing climate, and to address urgent environmental and poverty issues. In particular, the project focuses on developing institutions, enhancing productivity, improving animal health and developing pasture management.

Rural communities have benefited from IFAD projects through increased investment in productive infrastructure and equipment, and better management of the natural resource base.
IFAD has invested in rural people for 40 years, empowering them to reduce poverty, increase food security, improve nutrition and strengthen resilience. Since 1978, we have provided US$20.4 billion in grants and low-interest loans to projects that have reached about 480 million people. IFAD is an international financial institution and a specialized United Nations agency based in Rome – the UN’s food and agriculture hub.