**Tajikistan** 

In connection to the break-up of the USSR and Tajikistan gaining independence 1991 a civil war broke out that lasted to 1997 and with almost 100.000 casualties. After that the peace has been kept, partly with assistance of Russian troops. 2011 Russia also secured a deal extending its military presence in the country by 49 years! The residing President Emomali Rahmon, with family and loyal allies, seem to have good control of the power. He has held power since 1994! In beginning of this year his daughter, Ozola (38 y.), was appointed as the new head of the presidential administration.

Out of all 15 former Soviet republics Tajikistan has the lowest GDP/capita, the lowest living standard and the most rapid growth of population. Agriculture is the most important sector of the economy, with cotton being the dominant crop. The country is very mountainous and has in the south a long border with Afghanistan that is very difficult to control. Accordingly it is not a surprise that Tajikistan is a large transit country for narcotics to Russia and Europe.

The largest company in the country is the aluminum producer, *Talco*. Aluminium is the key export product, accounting for about 40 % of total exports. Increased volumes compensate for the falling world market prices. Even more important for the economy are the increasing remittances from Tajiks working in neighboring countries and in Russia, sending home almost 4 billion USD annually – i.e. 4 times more than the export revenues! The country continues to be dependent on foreign aid.

Key facts (Sources: World Bank, EBRD, ADB, The Economist, Business Monitor Int´l)

 2014 2015e 2016f 2017f

Population (mn) 8,3 8,5 8,7 8,9

GDP (nom.; USD, bn) 7,8 7,4 7,0 8,1

GDP-growth, real (%, y-o-y) +5,0 +1,3 +1,5 +5

GDP/capita (USD) 926 855 800 900

Budget balance (% of GDP) +0,3 0,0 +0,1 +0,3

Inflation (CPI; e-o-p, %) 7,4 12,0 10,0 7,5

Export (USD, bn) 1,0 1,1 1,1 1,2

Import (USD, bn) 4,0 4,2 4,4 4,7

Balance of trade (USD, bn) -3,0 -3,1 -3,3 -3,5

Current account (USD, bn) -0,2 -0,2 -0,3 -0,5

Current account (% of GDP) -2,4 -3,2 -5,0 -5,8

Foreign reserves (USD, bn) 0,5 0,5 0,6 0,6

Total external debt (USD, bn) 3,6 3,8 4,0 4,2

Total external debt (% of GDP) 46,7 51,3 56,6 52,2

Exchange rate (TJS/USD) 5,31 6,90 7,00 7,30