

**Rule of Law Programme – Central Asia:
Promoting Transparency and Action against economic crime (CA TAEC)**

Project Summary: Tajikistan (CA TAEC TJ)

Project title	Promoting Transparency and Action against economic crime
Project area	Tajikistan
Implemented by	Economic Crime and Cooperation Division, Action against Crime Department, Directorate General Human Rights and Rule of Law, Council of Europe
Duration	48 months (starting from January 2020)

SUMMARY

The Joint Programme Agreement for the “Central Asia Rule of Law Programme” was signed in November 2019 between the Council of Europe and the European Union Delegation to the Republic of Kazakhstan. The Programme aims at reinforcing the human rights, rule of law and democracy in the countries of Central Asia in accordance with European and other applicable international standards.

The Programme started in January 2020 with a duration of 48 months. It will cover all five countries of the region – Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan – and will be in line with the Council of Europe Policy for Neighbourhood Regions.

The project on “Promoting transparency and action against economic crime” (CA TAEC) will focus on strengthening authorities’ capacities in the region to fight and prevent economic crime and corruption, based on regional priorities, as well as priority areas of the countries concerned. These will be addressed through a **regional component** and **five country-specific components**.

COUNTRY: TAJIKISTAN

BACKGROUND AND JUSTIFICATION

The project looks to achieve its overall objective stated above by enhancing:

- a) Business integrity and compliance in the private sector; and
- b) Anti-corruption, AML and asset recovery systems in Tajikistan.

Area 1: Business integrity and compliance in the private sector

Tajikistan has made the reduction of administrative barriers for business one of its major policy priorities. For this purpose the State Committee on Investment and Management of Government Property has initiated a number of policy reforms to ease doing business in Tajikistan, and has supported an effective platform on policy dialogue between the government and the private sector.

While these efforts are targeted towards resolving systemic obstacles for the conduct of business, Tajikistan needs to develop a policy framework to ensure the protection of entrepreneurs' rights. The creation of a position of a specialised Ombudsman has been identified as a priority in a number of Strategic documents. Specific action is yet to be taken, and capacity building for the new institution will be needed. Similarly, no systemic initiatives have been made to improve business integrity and anti-corruption compliance in the private sector, where systemic awareness-raising efforts are required.

Area 2: Anti-corruption, AML/CFT and asset recovery

Tajikistan has developed a number of institutional mechanisms to prevent and combat corruption, however gaps remain. This includes the lack of whistle-blower legislation, which would effectively cover the business sector. Policy discussions need to be carried out to implement this system. Ethics commissions in state bodies have been set up, but they require significant capacity building in order to facilitate effectiveness. Regulatory inconsistencies remain in the framework for conflict of interest, which require streamlining and implementation.

In the law enforcement field key agencies, such as the General Prosecutor's Office (GPO) and the State Committee for National Security require training on pursuing economic crime and recovery of assets. A policy and operational framework of parallel financial investigations needs to be developed in order to enhance the effectiveness of measures to combat economic crime. Training on mutual legal assistance (MLA) including the drafting of international requests is needed to address specific gaps experienced in practice by the GPO in dealing with international criminal cases. Dissemination of good practices and development of links with Council of Europe bodies should be seen as a priority, given the pre-existing interest of Tajik authorities in Council of Europe outputs relevant to international co-operation in criminal matters.

On the anti-money laundering side, authorities have carried out and adopted a money laundering and terrorism financing National Risk Assessment (NRA); however, the NRA results need to be implemented into the work of financial institutions and DNFBPs operating in Tajikistan. Overall the compliance culture of the financial sector needs to be enhanced. Capacity gaps exist at the institutional level of the financial intelligence unit to undertake strategic analysis of suspicious financial flows and dealing with risks posed by new financial technologies. A lack of understanding is also present in the supervisory sector about the means and methods of conducting risk-based supervision. In this regard specific measures to build capacities of FIU staff as well as supervisors are needed.

PROJECT OBJECTIVES

<p>Intermediate outcomes</p>	<p>1. To enhance business integrity and compliance in the private sector, reducing administrative barriers and ensuring the protection of rights of entrepreneurs in countries of Central Asia.</p>
-------------------------------------	--

	<p>2. To enhance the effectiveness of anti-corruption, anti-money laundering and asset recovery systems in the countries of Central Asia.</p>
<p>Immediate outcomes</p>	<p>1: Business integrity and transparency is strengthened, administrative barriers and abuses of entrepreneurs' rights are reduced.</p> <p>2: Mechanisms and capacities of authorities to prevent corruption are improved.</p> <p>3: Capacities of law enforcement authorities to tackle corruption, money laundering and economic crime are enhanced.</p> <p>4: National systems to combat money laundering and terrorism financing are strengthened.</p>

IMPLEMENTATION ARRANGEMENTS

The Council of Europe and more specifically the Economic Crime and Cooperation Division (ECCD) of the Action against Crime Department will be responsible for the implementation of the Project through a delegation agreement under indirect management by the European Union Office in Nur-Sultan, Kazakhstan.

The Council of Europe project team will be based in Strasbourg and Nur-Sultan. For the purpose of implementing activities under this project, international and national consultants of appropriate expertise and background will be engaged pursuant to Council of Europe procurement rules.

Project activities will include assessments, provision of expert advice/opinions, conferences, roundtables and seminars, workshops, training courses and researches. Information on the activities and project outputs will be made available through the project website.

CONTACTS

For more information please contact the CA TAEC team within the Economic Crime and Cooperation Division, Action against Crime Department, DG I – Council of Europe

Mr. Edmond Dunga

Head of Unit

Email: edmond.dunga@coe.int

Ms. Nadejda Plamadeala

Senior Project officer

Email: nadejda.plamadeala@coe.int