

**State Committee on Investments and  
State Property Management of the Republic of Tajikistan**

**Business Incubation Project  
in the Republic of Tajikistan  
  
Project Completion Report**

**February 2023**

**JAPAN INTERNATIONAL COOPERATION AGENCY**

**IMG Inc.**

<b>TJ</b>
<b>JR</b>
<b>22-001</b>

# Map

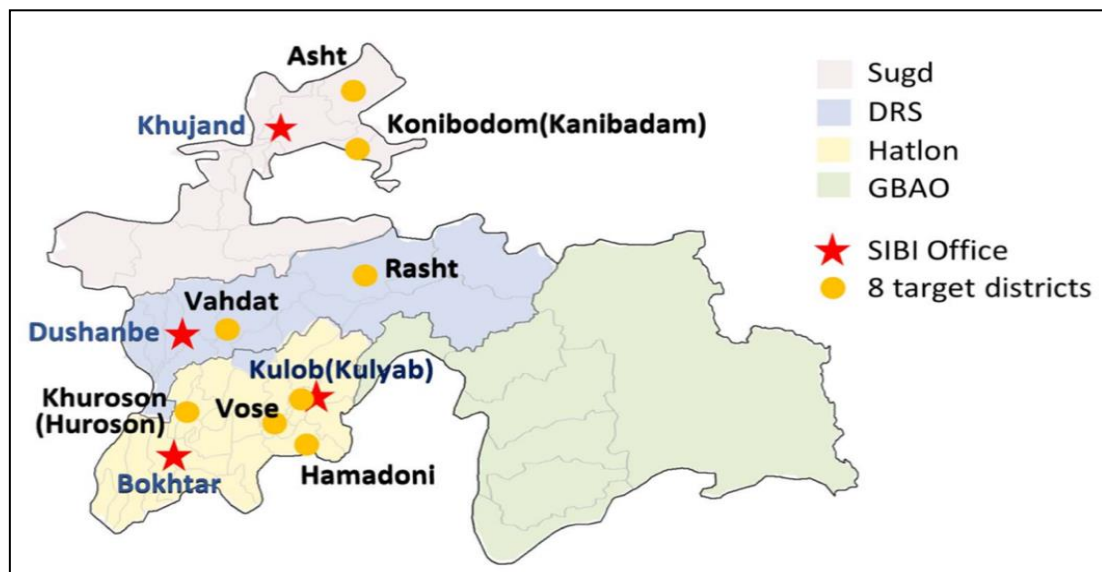
Map of Tajikistan



Map No. 3765 Rev. 11 UNITED NATIONS  
October 2009

Department of Field Support  
Cartographic Section

## Target districts



### Project Photos



"Basics of Business" Training



Beneficiaries of Mini-Finance Scheme



Counterpart Training in Japan



"Basics of Business" Training for Afghan refugees

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## **List of Abbreviations and Acronyms**

ATCT	Adult Training Center of Tajikistan
BI	Business Incubator
BoB	Basics of Business
CCIT	Chamber of Commerce and Industry of Tajikistan
DBI	Dushanbe Business Incubator
DF	Dekhkan Farm
DRS	Districts of Republican Subordination
GIZ	Gesellschaft für Internationale Zusammenarbeit
IBT	International Bank of Tajikistan
IE	Individual Entrepreneur
JCC	Joint Coordinating Committee
JICA	Japan International Cooperation Agency
MOC	Memorandum of Cooperation
MOU	Memorandum of Understanding
MSE	Micro and Small Enterprise
NDS	National Development Strategy
PDM	Project Design Matrix
PEAK	PEAK Enterprise and Innovation Programme in Tajikistan
SCISPM	State Committee on Investments and State Property Management
SIBI	State Institution “Business Incubator”
SOP	Standard Operating Procedures
TOT	Training of Trainers
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
USAID	United States Agency for International Development

Exchange Rate (January 2023)

TJS 1 = JPY 13.219

USD 1 = JPY 133.21



## **Project Overview**

### **1 Background of the Project**

The Republic of Tajikistan (Tajikistan) has achieved an annual economic growth of 6 to 7 % as of 2000, following the end of the civil war in 1997. Despite this, the Tajik economy remains fragile and vulnerable to external factors, such as the Russian economy, due to the country's high reliance on remittances from labor migrants working in Russia and the export of commodities, such as cotton and aluminum. The overcoming of this fragility has necessitated Tajikistan to develop value-added industries while diversifying its industries for further economic growth and job creation.

In the National Development Strategy (NDS) 2016-2030 as well as the Mid-term Development Strategy 2016-2020, private sector development is considered as one of the most important priority areas for the Government of Tajikistan. Greater emphasis is placed on developing micro and small enterprises (MSEs) comprising 90% of the private sector in Tajikistan and on promoting entrepreneurship especially among young generations in rural areas.

Despite these objectives, Tajikistan's difficult business environment has hampered private sector development in the country. The main challenges have included low access to finance for MSEs and entrepreneurs due to the high interest rates as well as the high level of collateral required for financial institutions' loans, and the discretionary application of government regulations, such as the issuance of licenses, permits and inspections. Moreover, enterprises still maintain a planned-economy mindset, lacking the skills to manage businesses in a strategic way, develop and render customer-oriented quality products and services, and receive loans from financial institutions based on their business plans. The government does not yet have an effective mechanism to address these weaknesses.

The Government of Tajikistan issued a governmental decree on the "Establishment of the State Institution for 'Formation and Development of Entrepreneurship Development' in Tajikistan", on the basis of which the State Institution "Business Incubator" (SIBI), SCISPM's subordinate as an implementing organization, was established in 2018. Against this backdrop and based on a request from the Government of Tajikistan, the Government of Japan chose to implement the Business Incubation Project (BIP); a technical cooperation project aimed at entrepreneurship development in Tajikistan through business incubation. Following the signing of the Record of Discussions between JICA and SCISPM, JICA commissioned IMG Inc. to implement BIP.

### **2 Project Design Matrix of the Project**

The Project Design Matrix (PDM) of the Project is as below (see Annex 3.3 for details).

**Overall Goal** The State Institution "Business Incubator" is able to provide effective services for the development of entrepreneurs and MSE.

**Project Purpose** DBI becomes operational with its functions and operating methodologies established.

## **Outputs**

- Output 1: The modality for the delivery of “Basics of Business” training (BoB) is established.
- Output 2: The modality for supporting MSE in preparing business plans is established.
- Output 3: The modality for supporting MSE’s access to finance is established.
- Output 4: The modality for conducting mentoring of MSE is established.
- Output 5: The modality for collaboration between business incubation and One-Stop Window is established.
- Output 6: The methodologies for supporting government agencies in streamlining their administrative procedures related to business operations are established.
- Output 7: Networks linking the State Institution “Business Incubator” and similar initiatives in and out of the country are established.
- Output 8: SIBI/DBI’s operational efficiency is secured.

## **Target Beneficiaries**

- Direct beneficiaries: 14 staff (director, deputy director, directors of Business Incubators and others) from SIBI
- Indirect beneficiaries: Potential entrepreneurs, start-ups and MSEs with a special focus on youth, women and returned migrants

## **Revision of PDM**

The first PDM revision was approved at the 1<sup>st</sup> Joint Coordinating Committee (JCC) meeting held on 15 April 2021. Output 8 (“SIBI/DBI’s operational efficiency is secured”) and Activity 1-6 (“Implement a Mini-Financing Scheme in Kanibadam and Kulyab districts”) were added to the original version of PDM. With the project progress being affected by the Covid-19 pandemic, it was agreed that the project period be extended for 8 months until the end of February 2023.

The second PDM revision was approved at the 2<sup>nd</sup> JCC meeting held on 27 April 2022. Activity 1-1-7 (“Implement a leasing scheme nationwide with priority given to target areas”) and its corresponding indicator (“At least 10 businesses supported by the leasing scheme achieve an increase of revenues or employment”) as well as additional site for Mini-Financing (Asht) were added to PDM.

## **3 Period of the Project**

In line with the above changes to the project period, the Project was implemented over a 2 year and 11 month period from April 2020 to February 2023 (see Annex 3.3 for details).

#### 4 Inputs from Japanese Side

##### (1) Total input

JPY 300 million

##### (2) Personnel

**Table 1: List of JICA Experts**

JICA Experts	Name
Chief advisor/SME development /Business environment	MORI Shinichi
Deputy chief advisor/SME development /Incubation program management	BURNEEBAATAR Gantumur
Incubation program management	ABE Naomi / SUENAGA Jumpei
Impact analysis / Coordinator	ZHANG Yahan / AKAHORI Junki
Training in Japan	IWASE Nobuhisa
Crowdfunding	OSUGI Kenichi
ICT	NAITO Tomoyuki / SUN Yi
Project officer	Umed Kasymov / Khurshed Azamov / Bakhtiyor Turaev / Jamilyabonu Yusupova
Field officer	Azamat Inomzoda / Manzira Murodova
Project assistant	Nilufar Umarova / Dilrabo Jabarova

##### (3) Training in Japan and a third country

**Table 2: CP Training in Japan and the Third Country**

No.	Content	Country	Participant	Period
1	Training in Japan	Japan	1 from the Presidential Office, 6 from SIBI	3 Nov. 2022 – 17 Nov. 2022
2	Training in Uzbekistan	Uzbekistan	4 from the beneficiaries of incubation service and 2 from SIBI	21 Nov. 2022 – 25 Nov. 2022

#### 5 Inputs from Tajikistan Side

##### (1) Personnel

**Table 3: Counterpart Personnel**

Counterpart	Name and position
State Institution Business Incubator	Director: Dilshod Jurazoda Deputy Director: Sulaimon Kurbonov Head of International Department: Shirin Pavlonova Chief Accountant: Gulbahor Ayozova Head of public relations and office management: Lola Afonina Director of SIBI Khujand: Dilshod Kholmatov Director of SIBI Kulyab: Khudoidod Amirshoev

##### (2) Provision of the project office

Room #2 and #3 of DBI were provided for the project offices by SIBI.

## Chapter1 Project Activities

### 1-1 Activities to establish the modality for the delivery of “Basics of Business” training (BoB)

Output 1: The modality for the delivery of “Basics of Business” training (BoB) is established.

#### 1-1-1 Examine the needs of training and business incubation through interviews with relevant actors

BIP/JICA and SCISPM/SIBI agreed that in consideration of different factors including geographical distribution, demography and other donors’ activities, a total of eight districts (Kulyab, Rasht, Vahdat, Kanibadam, Khuroson, Asht, Hamadoni and Vose) and Dushanbe be selected as target districts (see Annex 5 for details) for conducting BoB training. The training and business incubation needs were clarified through a literature review as well as the results of interviews conducted by JICA’s prior missions with other actors supporting local businesses. In general, entrepreneurs in Tajikistan do not understand the fundamentals of a market economy, such as supply and demand relationships or how to calculate profits, which prevents them from sustainably supplying the products and services demanded by customers. Moreover, there was no readily available comprehensive training program on "Basics of Business" for entrepreneurs. Even when entrepreneurs and MSEs had passed this necessary initial capacity hurdle, many of them still lacked the strategies for management, marketing and financing to overcome different challenges and grow; however, the consulting and mentoring services necessary to support them were not available.

#### 1-1-2 Develop training materials for the training of trainers and participants

BIP prepared guidelines for the delivery of BoB training that provided detailed tasks to be carried out in the planning, preparation, delivery and evaluation of the training. It also set out the tools and formats to be used for performing the tasks as well as defined each actor’s role and responsibilities (Annex 6). The guidelines were then translated into Russian and Tajik and shared with SIBI. BIP prepared both a “Participant’s Workbook” and “Facilitator’s Guide” in order to ensure consistent teaching quality. The manual provides tips for starting a business across five steps; 1) introduction to business, 2) marketing, 3) cost and pricing, 4) record keeping, and 5) business planning. The training manual also includes case studies with simply worded contents. A pilot training using these materials was conducted in December 2020. The training module (comprised of the “Participant’s Workbook” and “Facilitator’s Guide”) for BoB training was revised and finalized in February 2021 based on feedback from the trainers and participants of the pilot BoB training.

BIP also developed a manual on the legal requirements and registration procedures for three main categories of businesses; individual entrepreneurs, Dekhkan farms, and legal entities (limited liability

companies) (Annex 15). The document is a step-by-step guidance on various application procedures related to business actions (obtaining of licenses, tax filing, business registration, etc.) with a variety of sample formats that can be easily understood by entrepreneurs even without knowledge of the necessary procedures. The manuals for individual entrepreneurs and Dekhkan farms were distributed to the BoB training beneficiaries as of July 2021, while the registration procedures of legal entities manual was distributed as of October 2021. These guidelines were further revised in March 2022 following the tax reforms adopted in January 2022.

### 1-1-3 Identify trainers and channels for delivering training

By referring to information collected from other development partners engaged in entrepreneurship development, such as UNDP and Accelerate Prosperity, BIP prepared a preliminary list of candidate BoB trainers with experience supporting entrepreneurs. It was agreed between BIP and SIBI that SIBI personnel, including those who were based in regional offices, would be trained as BoB trainers along with other external trainers. This was done so that their capacities would be developed through increased opportunities to interact with MSEs. Since SIBI was a newly established state institution, its personnel had only limited knowledge of the challenges MSEs in Tajikistan faced. With a mandate to engage with MSEs as trainers, personnel's opportunities to see firsthand the problems that MSEs faced on a daily basis increased dramatically, which significantly helped build their knowledge and capacity. BIP also trained female and Uzbek speaking trainers so that SIBI could serve the needs of a range of beneficiaries.

### 1-1-4 Conduct training of trainers

A total of 5 Training of Trainers (ToT) sessions were conducted since January 2021 as shown in the table below. In each ToT, teaching methods and key information were imparted to the trainers through the BoB training textbooks. Whenever needed, BIP also conducted ToT for newly identified trainers in order to avoid the shortages in available trainers, which could occur due to SIBI staff's high turnover caused mainly by low salaries and benefits.

**Table 4: ToT Conducted**

TOT	Date	Venue	Attended trainers	Districts to cover
TOT-1	25 to 27 January, 2021	Khujand BI	4	Asht and Kanibadam
TOT-2	24 to 25 February, 2021	Dushanbe BI	14	Dushanbe, Vahdat, Rasht, Kulyab, Hamadoni, Vose, and Khuroson
TOT-3	11 to 12 October, 2021	Kulyab BI	1	Kulyab, Hamadoni, Vose, and Khuroson
TOT-4	9 to 10 November, 2021	Asht	1	Asht and Kanibadam
TOT-5	20 to 21 April, 2022	Dushanbe BI	16	All Districts
Total			36	

As of the end of January 2023, a total of 25 trainers (10 SIBI personnel and 15 external trainers) out of 36 remained as resources available for conducting BoB training.

Taking into account the trainers' teaching skills and experience, BIP categorized the trained trainers into five groups: "Master Trainers", "Trainers", "Assistant Trainers", "Backup Trainers" and "Backup Assistant Trainers." Trainers in the first two groups have sufficient teaching skills and experience to guide entrepreneurs on their own; BoB training was principally provided through these trainers. The details concerning the trainers are presented in the table below.

**Table 5: Trainers of BoB Training**

Levels	Definition	No	Name	District to cover	Note
Master Trainers (4)	Trainers who can conduct ToT	1	Ibragimov Shuhrat	Asht, Kanibadam	
		2	Kholmatov Dilshod	Asht, Kanibadam	
		3	Kurbonov Sulaimon	Dushanbe	
		4	Shamaev Vitaliy	Dushanbe	
Trainers (8)	Trainers who can deliver BoB training on their own	5	Amirshoev Hudoidod	Kulyab	
		6	Haydarov Hojiakbar	Dushanbe, Hamadoni, Khuroson, Rasht, Vahdat, Vose, and Kulyab	
		7	Jalilov Bakhtiyor	Same as above	
		8	Kurbanov Ibrohim	Same as above	
		9	Muhsinova Farzona	Asht and Kanibadam	Female
		10	Shukrihudoev Umed	Dushanbe, Hamadoni, Khuroson, Rasht, Vahdat, Vose, and Kulyab	
		11	Yusufzoda Omina	Kulyab, Hamadoni, Vose, and Khuroson	Female
		12	Ruzimatova Nafisa	Asht and Kanibadam	Female, Uzbek Speaker
Assistant Trainers (4)	Assistant trainers who can deliver BoB training only with the support of "Trainers".	13	Batyrshin Ignat	Same as above	
		14	Nazarov Aminjon	Kulyab	
		15	Shobudinova Rukhshona	Dushanbe	Female
		16	Lutfulloi Davlat	Dushanbe	
Backup Trainers (11)	Those trainers who can be mobilized when no trainers are available.	17	Afonina Lola	-	Female
		18	Ayozova Gulbahor	-	Female
		19	Ismoilov Ismatullo	Dushanbe	
		20	Faromuzova Nisso	Dushanbe	Female
		21	Nurmatova Sanoat	Khujand	Female
		22	Rahmonzoda Manizha	Kulyab	Female
		23	Sharifov Aziz	Dushanbe	
		24	Faromuzov Alisher	Dushanbe	
		25	Kurbonova Barno	Dushanbe	Female
		26	Nasriddinov Kamariddin	Dushanbe	
		27	Umarzod Sino	Kulyab	
Backup Assistant Trainers (9)	Those assistant trainers who can be mobilized when no assistant trainers are available to support BoB training.	28	Batyrshin Vitaliy	-	
		29	Isoeva Nodira	-	Female
		30	Qurbonov Sorbon	-	
		31	Tagoeva Rukhsora	-	Female
		32	Boymatova Madina	Dushanbe	Female
		33	Odinaev Ilhom	Dushanbe	
		34	Rahmonova Sabrina	Dushanbe	Female
		35	Rozikov Muhammadnasim	Dushanbe	
		36	Alipora Firuza	Asht	Female, Uzbek Speaker

### 1-1-5 Conduct the training of entrepreneurs and MSEs

As of January 2021, BIP in cooperation with SIBI has provided a total of 82 BoB training sessions attended by a total of 874 trainees. Among these BoB training sessions, 4 sessions were provided to 56 Afghan refugees referred by UNHCR. The list of BoB training sessions conducted is shown in the table below.

**Table 6: BoB Training Sessions Conducted**

No	Target district	Number of sessions <sup>1</sup>	Dates <sup>2</sup>	Number of Trainees		
				Male	Female	Total
1	Asht (17 sessions)	3	16-18 February, 2021	22	7	29
		2	21-23 October, 2021	13	13	26
		2	11-13 November, 2021	14	8	22
		2	12-14 February, 2022	17	3	20
		2	8-10 June, 2022	17	3	20
		2	6-8 July, 2022	14	8	22
		2	3-5 August, 2022	17	7	24
		2	24-26 August, 2022	4	18	22
2	Kanibadam (12 sessions)	3	4-6 March, 2021	19	11	30
		3	25-27 March, 2021	18	10	28
		3	22-24 April, 2021	22	8	30
		3	25-27 August, 2021	15	8	23
3	Kulyab (34 sessions)	1	8-10 June, 2021	8	4	12
		2	5-7 July, 2021	11	13	24
		3	11-13 August, 2021	16	13	29
		2	24-26 August, 2021	12	12	24
		3	28-30 September, 2021	24	7	31
		3	11-13 October, 2021	21	14	35
		3	27-29 October, 2021	19	16	35
		3	14-16 December, 2021	21	13	34
		3	12-14 May, 2022	18	12	30
		3	26-28 May, 2022	26	6	32
		2	8-10 June, 2022	21	4	25
		3	16-18 June, 2022	22	10	32
		3	28-30 June, 2022	20	4	24
4	Dushanbe (3 sessions)	1	5-5 May, 2021	8	4	12
		1	13-15 July, 2022	4	3	7
		1	17-19 November, 2022*	0	19	19
5	Vose (2 sessions)	2	2-4 November, 2022	23	0	23
6	Vahdat (9 sessions)	2	28-30 September, 2022	17	8	25
		2	19-21 October, 2022	5	15	20
		2	2-4 November, 2022	0	27	27
		1	23-25 November, 2022*	0	12	12
		2	30 November – 2 December, 2022*	0	26	26
7	Rasht (1 session)	1	9-11 November, 2022	13	2	15
8	Hamadoni (2 sessions)	2	15-17 November, 2022	7	18	25
<b>Total – 82 sessions</b>				<b>508</b>	<b>366</b>	<b>874</b>

<sup>1</sup> Multiple sessions were conducted simultaneously with multiple trainers.

<sup>2</sup> BoB training sessions marked with \* were provided to Afghan refugees recommended by UNHCR.

The BoB training sought to equip trainees with a basic business knowledge with which they could independently prepare a preliminary business plan. Each trainee who wished to apply for the Mini-Financing Scheme was required to create a preliminary business plan and submit it to BIP/SIBI following the BoB training. A total of 701 trainees (80%) of all trainees prepared and submitted a preliminary business plan to BIP/SIBI.

At the beginning and end of each training session, BIP/SIBI tested trainees' business knowledge along a 0 to 30 scale. The average trainee score was 4 pre-training and 26 post-training. Based on observations by trainers and BIP staff, the trainees' education levels seemed to vary by region. Participants from Sughd Region and from the Districts of Republican Subordination (DRS) were quicker to understand the training material with the majority of them facing no difficulty conducting calculations. In Khatlon Region, where Islamic traditions are more strictly observed, BIP used female trainers for providing BoB training to women-only groups in order to encourage more women to attend, which resulted in 41% of participants being women.

In order to verify BoB training's impact, after the completion of every training session, BIP conducted a questionnaire survey on trainee satisfaction. Around 94% of participants responded that the training content was easy to understand with all trainees answering that they obtained new knowledge through the training. Respondents considered the training to be highly relevant (68%) or relevant (32%) to their needs. 84% of respondents evaluated the trainers' performance as "outstanding" and the rest as "good". Based on the above, it was concluded that the BoB training module fully met the trainees' needs.

#### **1-1-6 Implement the Mini-Financing Scheme**

BIP launched the Mini-Financing Scheme in September 2020 as an additional activity responding to migration issues caused by the COVID-19 pandemic; JICA and BIP decided to implement this scheme to support labor migrants who were forced to return from Russia and other countries as well as those people who were prevented from immigrating. Taking into account the areas where the people mentioned above resided as well as access to DBI and other SIBI business incubators, BIP and SIBI selected Kanibadam, Asht, and Kulyab as target districts for the Mini-Financing Scheme out of the eight target districts of the BoB training.

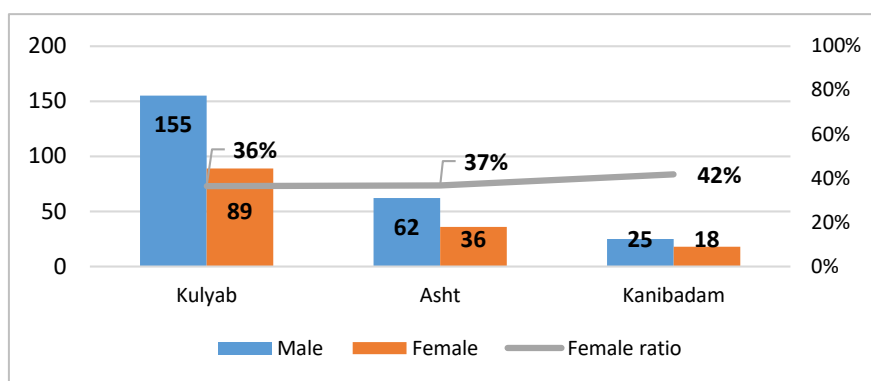
In order to benefit from the Mini-Financing Scheme, applicants must have attended BoB training to gain basic business knowledge. Furthermore, the applicants must also have met either of the requirements shown below (see Annex 7 "Mini-Financing Implementation Guidelines" for details):

- Worked abroad and returned to Tajikistan after 1 July 2019; or
- Obtained, after 1 Jan 2020, permission to work abroad but could not immigrate.

Under this scheme, BIP supported equipment and materials for up to TJS 5,700 (around USD 500) per applicant based on the business plan they submitted after completing the BoB training if it was deemed feasible. A total of 429 returnee migrant workers benefitted from this scheme.

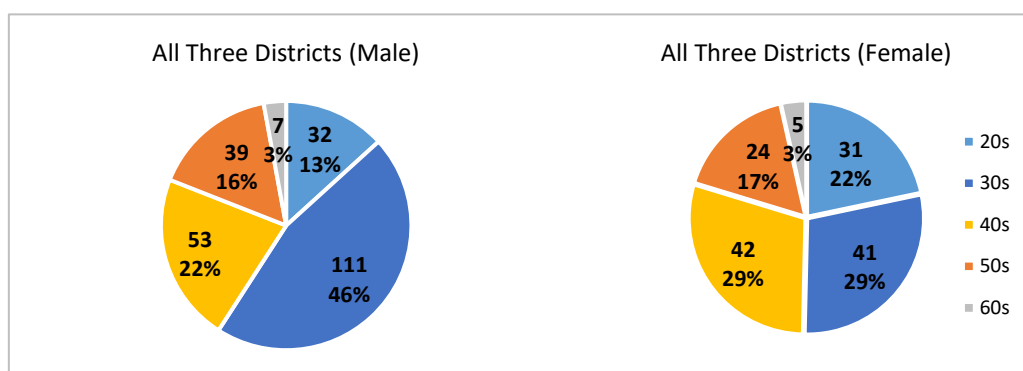


The demographics of the Mini-Finance beneficiaries are shown in the figures below. Among the target districts, the largest number of beneficiaries were from Kulyab. The SIBI Kulyab Office was actively engaged in disseminating information on the Mini-Financing Scheme to the target population in the district concurrent with the BoB training. The number of beneficiaries in Kanibadam was limited compared to the other districts since BIP stopped receiving applications after finding that many labor migrants had begun returning to Russia and other countries. Around 40% of the beneficiaries were female, which could be attributed to BIP’s efforts in encouraging women’s participation in BoB training. In Kulyab, women face significant family member opposition to their working outside the home. Since this was a major obstacle to women’s income generation, BIP supported women in starting and running home-based businesses, such as sewing or baking, to overcome these obstacles. Numerous success cases were found of female entrepreneurs who improved their status (rights and freedom) at home due to increased opportunities for discretionary spending with their earned income.

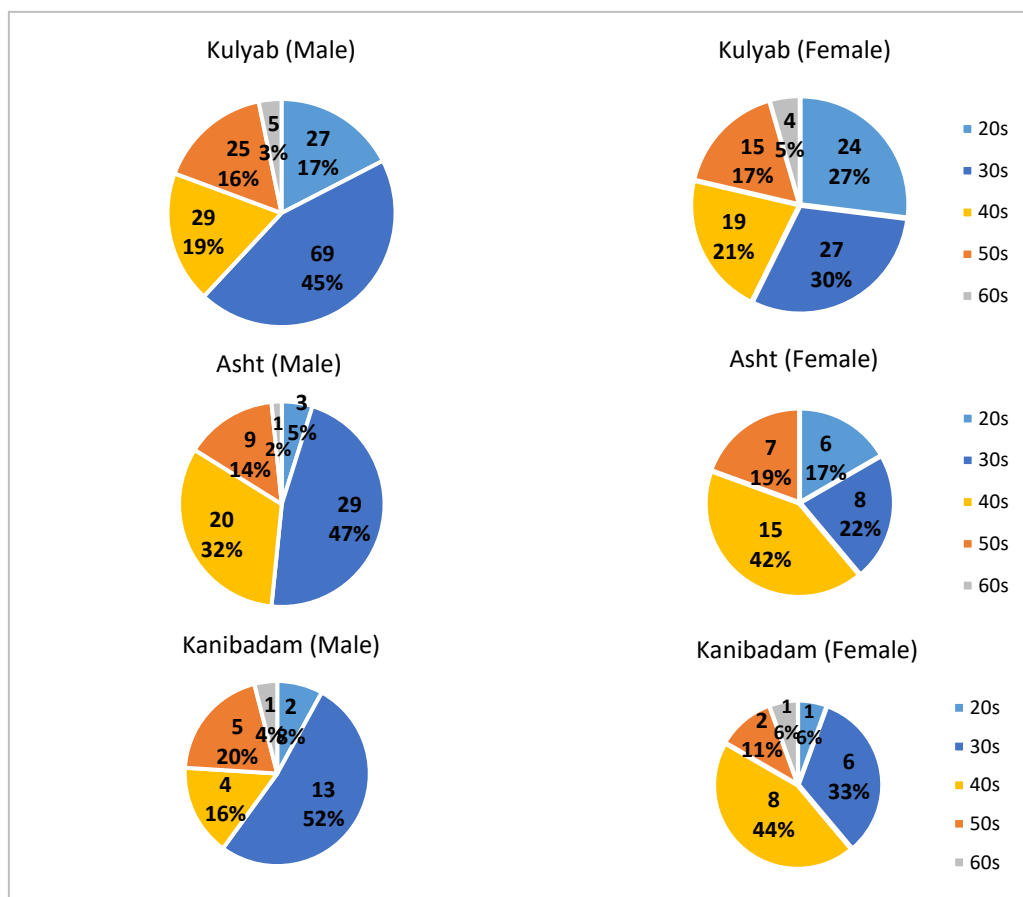


**Figure 1: Number of Beneficiaries by District**

In terms of beneficiaries’ age segments, participants in their 30s accounted for the largest share of male beneficiaries while female beneficiaries were more or less evenly distributed across all age groups (except for those in their 60s). The same trend was seen in each region as “Figure 3: Age Group of Beneficiaries by District” shows.

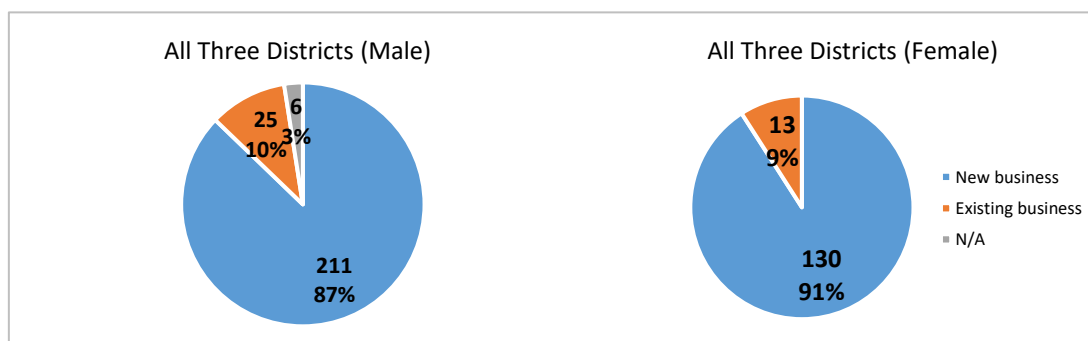


**Figure 2: Age Group of Beneficiaries in All Three Districts**

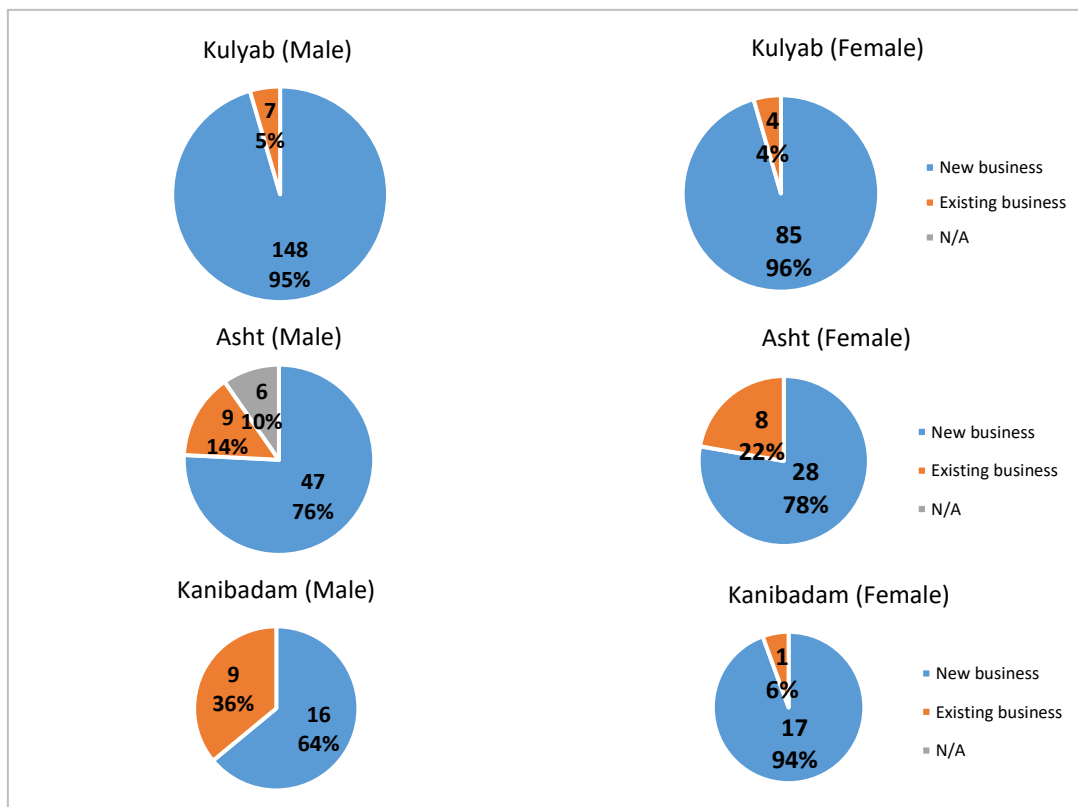


**Figure 3: Age Group of Beneficiaries by District**

The share of the beneficiaries who intended to start a new business (as opposed to expanding their existing business) with items provided under the scheme was 80%. The proportion ranged from 60% to 90% across these districts. Approximately 20% of beneficiaries had already started and run their own businesses prior to receiving equipment and items under the Mini-Financing Scheme. The remaining 3% (6 beneficiaries), who are classified as “N/A”, did not start their business with 5 of them returning to Russia and 1 having health issues.

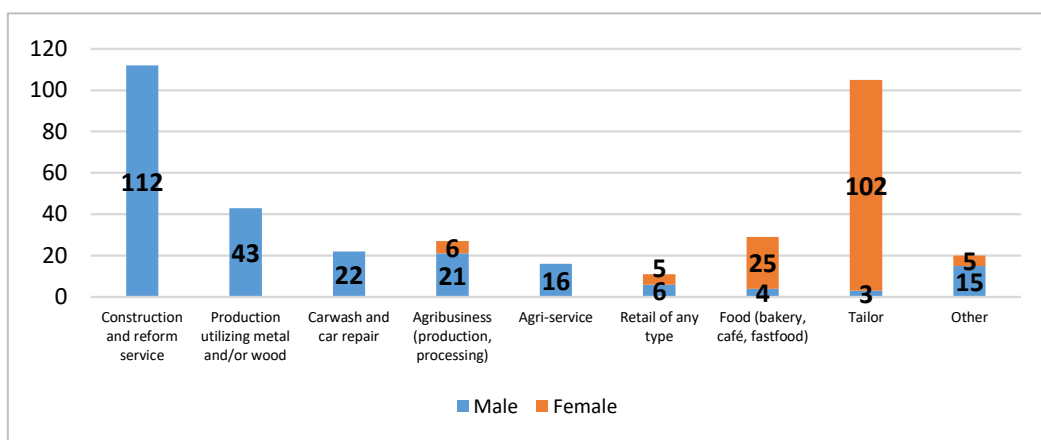


**Figure 4: Classification of Business by Status (All Three Districts)**



**Figure 5: Classification of Business by Status (by District)**

Nearly half of male beneficiaries were engaged in “construction and reform services”, which was the largest business sector followed by “production utilizing metal and/or wood” and “carwash and car repair”. In contrast, for female beneficiaries home-based businesses such as “tailoring” and “food service (bakery, café and fast food)” accounted for the largest proportion of participants with approximately 70% of female beneficiaries engaging in “tailoring” and 20% in “food services (bakery, café and fast food)”.



**Figure 6: Classification of Business by Sector (All Three Districts)**

**Mini-Finance Success Stories**

<Kulyab>

(1) When Zayniddin came back to Kulyab from Russia in 2020, he heard about BIP’s Mini-Financing Scheme at the khukmat office in Kulyab. Growing up in Kulyab, he knew that people always wanted to grab something to eat when working or shopping at the central bazaar. Therefore, he decided to write up a business plan for a hotdog shop. He received cooking equipment from BIP and opened a small kiosk for hotdogs in the central bazaar. His hotdog shop became popular very quickly and he earned enough money to open a second shop in the city.

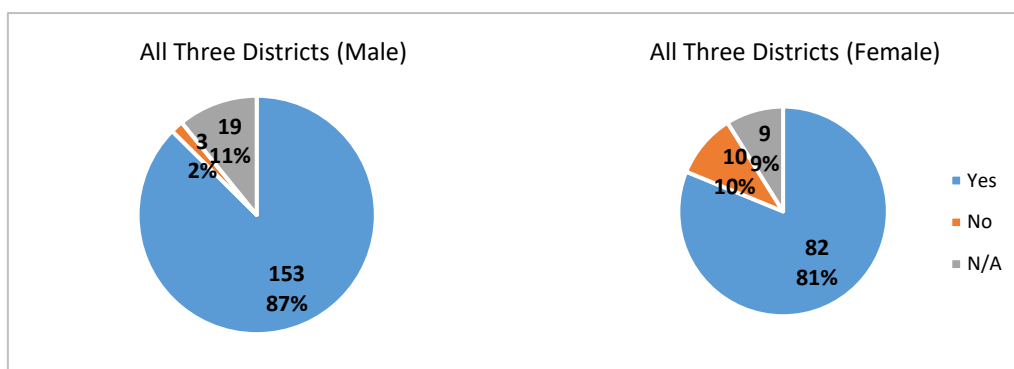
(2) In 2020, Shirinmo returned home from Ivanovo, Russia where she had worked at a textile factory for 5 years. Due to the closure of international borders by the COVID-19 pandemic, she had to find alternative income sources. After the receipt of a sewing machine and overlocker from BIP, Shirinmo had no need to internationally migrate as she was able to make a living in her own country.

<Asht>

(1) Photography was Zoirjon’s hobby from a young age. After being deported from Russia, he wanted to start his own business and attended BoB. He wrote a business plan to transform his hobby into an income generating activity and received equipment. Today Zoirjon runs a profitable photo/video shooting business as a patent holder and has a diverse customer base.

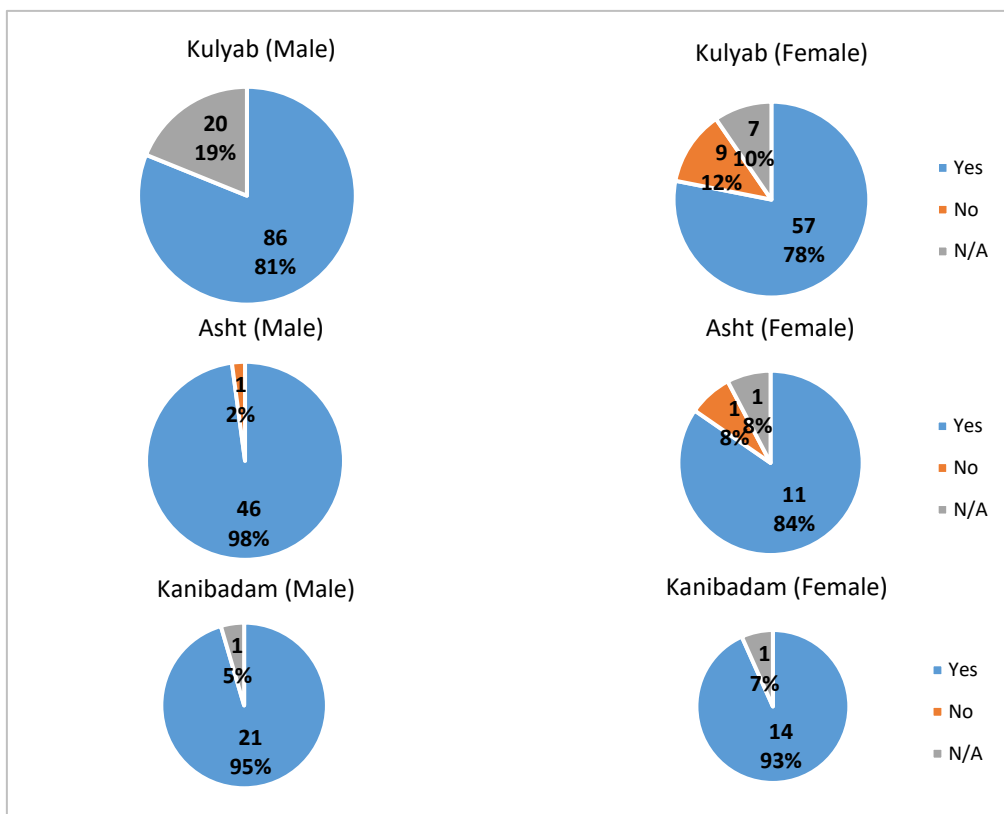
(2) From 2015 to 2020, Zohirjon was a migrant laborer in Yekaterinburg, Russia where he worked as an assistant master at a barber shop. Due to COVID-19 restrictions, Zohirjon was left without a job and had to return home in 2021. He successfully completed a business plan after BoB and received the equipment necessary to open his own barber shop. He now has many regular customers and earns enough money to support his family.

BIP carried out the monitoring of beneficiaries<sup>3</sup> in principle by physically visiting each one of them; interviews via telephone were conducted only when beneficiaries were unavailable for face-to-face meetings. The following figures provide the results and impacts of the Mini-Financing Scheme captured through the monitoring. More than 80% of beneficiaries continued their business for at least six months following receipt of items and equipment from the Mini-Financing Scheme. According to the interviews, the major reasons for business suspension were: (a) beneficiaries having broken the items or equipment they received; and (b) beneficiaries unable to continue the business due to marriage or pregnancy.



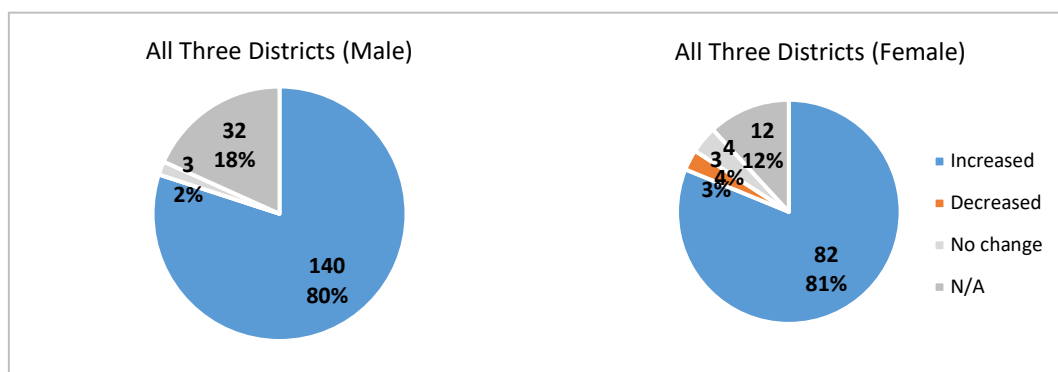
**Figure 7: Business Continuity after Mini-Finance (All Three Districts)**

<sup>3</sup> Although the monitoring was conducted around 6 to 8 months after items and equipment were provided to beneficiaries, its timing was dependent on the seasonality and progress of the beneficiaries’ businesses.



**Figure 8: Business Continuity After Mini-Finance (by District)**

Income increases were reported for nearly 80% of both male and female beneficiaries. The status of change in income was unavailable for beneficiaries classified as “N/A”; most of the male beneficiaries in this category had already left for Russia whereas their female counterparts had not kept revenue records.



**Figure 9: Change in Monthly Income (All Three Districts)**

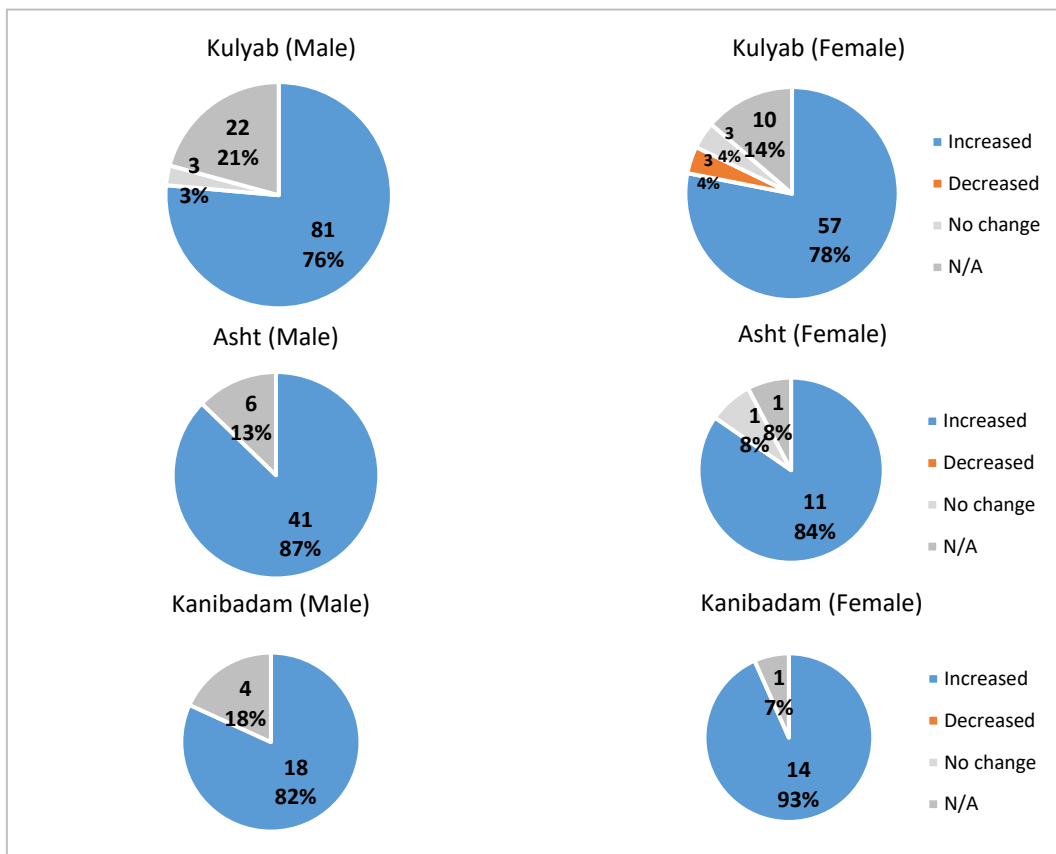


Figure 10: Change in Monthly Income (by District)

“Figure 11: Amount of Change in Monthly Income (All Three Districts)” depicts the change in income of beneficiaries classified as “Greatly increased” and “Increased” in “Figure 9: Change in Monthly Income (All Three Districts)”. In total, the number of beneficiaries whose monthly income increased between TJS 500 and TJS 999 was the largest. Overall, male beneficiaries tended to earn more than female beneficiaries after receiving items and equipment under the Mini-Finance Scheme, apparently due to the differences in the types of businesses they chose.

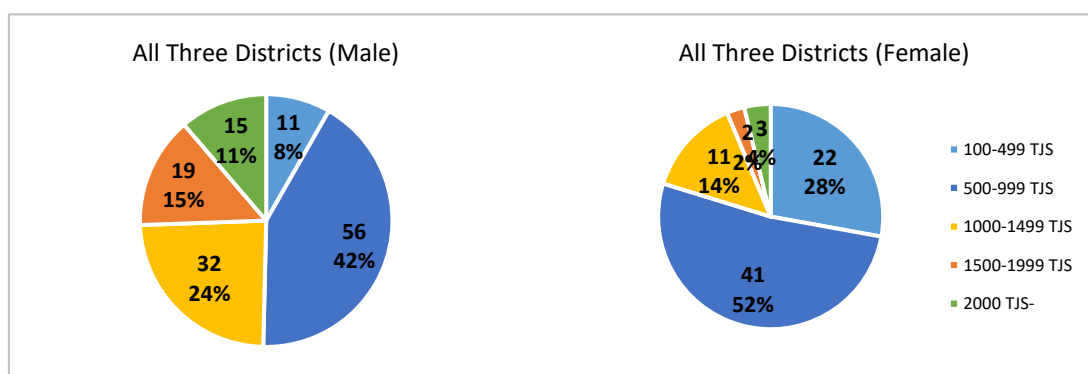


Figure 11: Amount of Change in Monthly Income (All Three Districts)

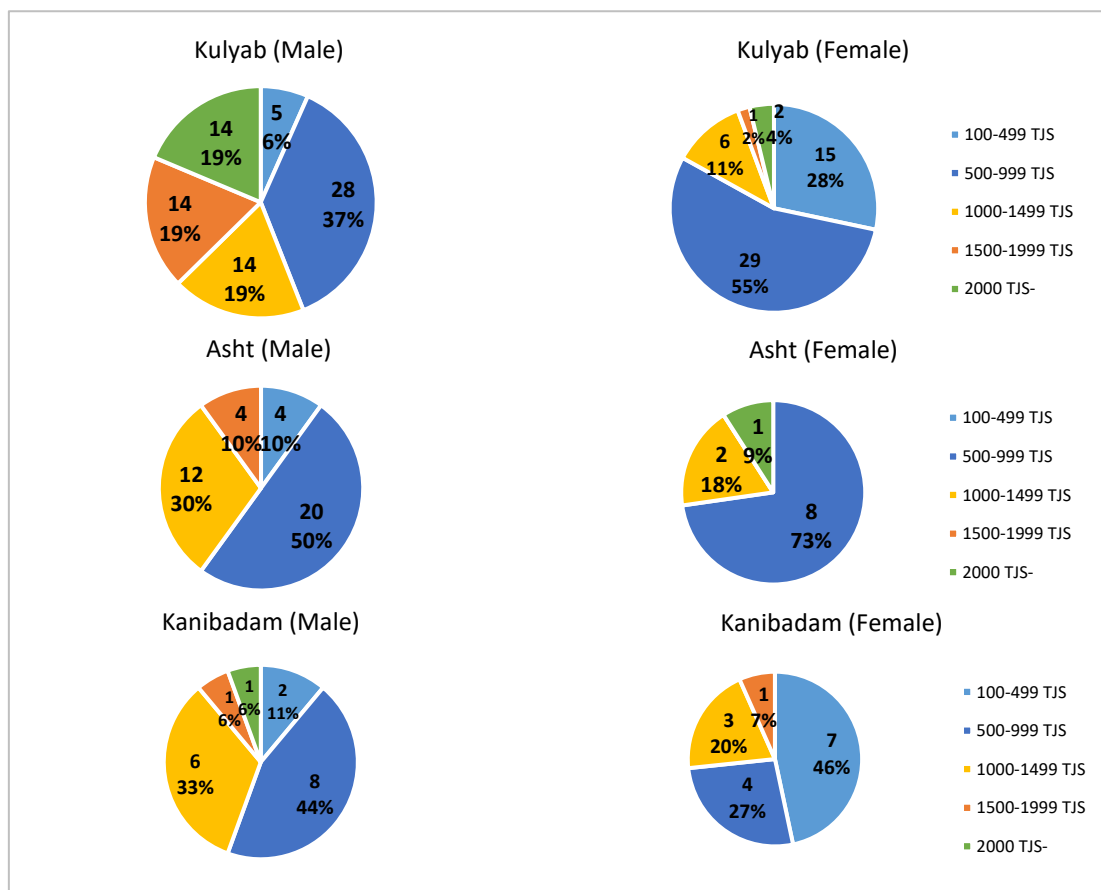


Figure 12: Amount of Change in Monthly Income (by District)

### 1-1-7 Implement the Leasing Scheme

BIP launched a Leasing Scheme as a pilot project in order to: (1) test the validity of a revolving fund for leasing to support entrepreneurs in purchasing equipment; and (2) create employment for Tajik migrant laborers who were forced to return from Russia or other countries and people who could not migrate due to the COVID-19 pandemic.

For technical reasons, including human resource capacity limitations at SIBI, it was decided that Tajikagroleasing would be the implementing partner of the Leasing Scheme. SCISPM issued a letter on December 29, 2021, stating that this task was officially delegated to Tajikagroleasing. The final MOC (Memorandum of Cooperation) for the Leasing Scheme was signed in February 2022 between SCISPM, Tajikagroleasing and JICA. BIP prepared the “Guidelines for Implementation of the Leasing Scheme” (Annex 10), which were agreed to with Tajikagroleasing and approved by SIBI and the JICA Tajikistan Office.

BIP set up the revolving fund within Tajikagroleasing, from which purchased machines and equipment were leased to eligible entrepreneurs in BIP’s eight target districts based on the scheme’s criteria. In order to qualify for the Leasing Scheme, lessees must have had experience running an agriculture-related business either as a Dekhkan farm, an individual entrepreneur under a patent or certificate, or a legal

entity. Furthermore, the lessees must either employ migrant laborers, provide agricultural machine services to migrant laborers utilizing leased equipment/ machinery or be a migrant laborer (see “1.3 Description of the Scheme” in Annex 10 for more details). Although BIP solicited leasing applications for a variety of equipment and machines (not only agricultural machinery but also food processing, woodworking, and other types of equipment), the decision to have Tajikagroleasing as the implementing partner of the Leasing Scheme led to the receipt of applications only from farmers with whom the staff of Tajikagroleasing had regular contact. As a consequence, all machines leased under the Leasing Scheme were tractors.

With leases provided to businesses able to generate revenues sufficient to cover lease payments, the preliminary business plan format used in the Mini-Financing Scheme was deemed not sufficient to enable discernment on the profitability of businesses. Moreover, the elements specific to agriculture-related businesses, including farming, needed to be examined. As such, BIP decided that each of the sub-projects needed a business plan created through the “RuralInvest” software developed by the FAO Investment Centre; a tool that has proved to be effective in assessing the feasibility of agribusinesses and thus widely used worldwide. BIP requested the FAO Investment Centre to conduct TOT with agriculture consultants recruited by BIP who would be tasked with preparing business plans for the respective lease projects. The TOT was conducted from 21 February to 4 March 2022. A total of 7 participants (agro-consultants) completed the training, two of whom were utilized by BIP to support project beneficiaries.

After Tajikagroleasing’s field offices had collected applications, BIP and Tajikagroleasing jointly conducted preliminary screening of the applications. For those who passed the preliminary screening, BIP sent an agro-consultant to work with them to write up a business plan using RuralInvest. This resulted in six business plans being submitted and then approved in May 2022 by the Appraisal Committee chaired by an SCISPM representative. Following the approval, Tajikagroleasing signed a contract with each beneficiary and delivered the requested machinery. Though it was envisaged that ten lease contracts would be signed by the end of the Project period with an allocated budget of JPY 20 million, BIP was obliged to stop disbursement in October 2022 after 6 leases had come under contract, due to the diversion of the leasing budget to fund counterpart training in Japan (another lease was also approved by the Appraisal Committee to be financed from the revolving fund constituted from the 6 previous leases’ down payments).

The following table summarizes the Leasing Scheme sub-projects and their impact.<sup>4</sup>

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<sup>4</sup> Monitoring of 3 out of 7 sub-projects have not been conducted (the reason is indicated in Table 8).



Table 7: Sub-projects of the Leasing Scheme and their Impact.

1. Alijon (Direct beneficiary)				
(1) Business Overview	Location		Vose	
	Product and service		Cultivation of cereal and fruit, and provision of machine services	
(2) Leased machine and planned utilization	Leased machine		1 Belorussian tractor MTZ 82.1 (Capacity: 82 hp)	
	Leased machine usage		The leased tractor was to be used for cereal and fruit cultivation as well as for machine services to be provided to neighboring returnee migrant farmers.	
	Expected target population to benefit from scheme		(a) Neighboring returnee migrant farmers who will receive machine services from Alijon; and (b) Returnee migrant laborers who will be employed by Alijon.	
	Background & Justification		DF Alijon is a Dekhkan farm (DF) with 140 ha of land and 400 head of livestock (sheep and goats). The DF's annual sales was TJS 200,000 with an annual profit of TJS 80,000 before leasing. Before the machine was leased, the DF utilized 11 ha for cereal and fruit cultivation with the remaining 129 ha used as pasture land for livestock. Currently, harvested cereals are only used as livestock fodder or used for own consumption. The DF owner decided to start machine services for neighboring households in order to diversify its income sources.	
Expected social and economic impact		At least 10 neighboring farmers (returnee migrants) were expected to save money through DF Alijon's machine services as neighboring farmers would no longer need to use tractor services through distant providers, which incurred additional costs.		
(3) Impact of leasing scheme for direct beneficiaries	Change in the number of employees	Seasonal	(Before) 7 laborers	(After) 8 laborers
		Permanent	(Before) 0 laborer	(After) 4 laborers
		Remarks	During the first 6 months of leasing period, additional seasonal employees, mostly women, were hired (No returnee migrant was employed).	
	Change in the number of machine service clients		(Before) 8 people	(After) 14 people
			Machine services have not been provided to the returnee migrants listed in the business plan since all of them returned to Russia.	
	Change in cultivated land size		(Before) 10 ha	(After) 20 ha
			The machine enabled the expansion of cereal and fruit cultivation.	
	Change in production volume		(Before) 10 tons	(After) 20 tons
		Increased by an additional 10 ha for cereal cultivation		
Change in revenue		(Before) TJS 200,000	(After) TJS 250,000	
		The revenue generated through the use of the leased tractor for the first 6 months of the leasing period was TJS 50,000. The DF expects further increases in net revenue from the sale of production from his own land by the end of the season (January 2023).		
(4) Impact of leasing scheme for indirect beneficiaries		The lease benefited indirect beneficiaries (neighboring farmers) in the following ways: ➤ (a) Machine services became more accessible with less time required for receiving the services than before; ➤ (b) The total amount of time required for cultivation was reduced through the new tractor's higher efficiency; and		

		➤(c) Machine services became less expensive for indirect beneficiaries (20% cheaper per hectare) than before. The average amount of money expected to be saved by each indirect beneficiary is TJS 600 per year.	
<b>2. DF "Mohammadi Alikhon" (Direct beneficiary)</b>			
(1) Business Overview	Location	Hamadoni	
	Product and service	Cultivation of cotton and corn and land rental business	
(2) Leased machine and planned utilization	Leased machine	1 Belorussian tractor MTZ 82.1(Capacity: 82 hp)	
	Leased machine usage	The leased tractor was to be used for cotton and corn cultivation as well as machine services provided to neighboring farmers.	
	Expected target population to benefit from scheme	(a) Neighboring returnee migrant farmers who will receive machine services from DF "Muhammadi Alikhon"; and (b) Returnee migrant laborers who will be employed by DF "Muhammadi Alikhon".	
	Background & Justification	DF Muhammadi Alikhon is a DF in Hamadoni that owns 7.5 ha (2.5 ha is used for cotton and corn cultivation and the remaining 5 ha is rented out to neighboring farms). The DF's annual sales is TJS 367,000 with an annual profit of TJS 200,000. The DF owner decided to expand its land for cotton cultivation as well as commence machine services for neighboring farmers, including returnee migrants, to generate additional revenue.	
Expected social and economic impact	The DF's land was planned to be expanded from 2.5 ha to 4 ha with the leased machine, allowing the DF to grow more cotton. Moreover, fee-based machine services would be provided to at least 10 neighboring farmers including returnee migrants. In addition, around 10 seasonal workers (women and returnee migrants) were expected to be employed by the DF.		
(3) Impact of leasing scheme for direct beneficiaries	Change in the number of employees	Seasonal	(Before) 0 laborer   (After) 0 laborer
		Permanent	(Before) 7 laborers   (After) 20 laborers
		Remarks	90% of seasonal workers are women (no returnee migrant has been employed since most of them went back to Russia.).
	Change in the number of machine service clients		(Before) 5 people   (After) 30 people
			The DF purchased additional machines with the profits generated from providing machine services with the leased machine, and further expanded the number of machine service clients.
	Change in cultivated land size		(Before) 7.5 ha   (After) 20 ha
			5 ha is used for the DF's own cultivation and 15 ha is rented out to neighboring farmers.
Change in production volume		(Before) 6 tons   (After) 82 tons	
		70 tons out of the 82 tons is production made from rented land.	
Change in revenue		(Before) TJS 367,000   (After) TJS 550,000	
		The revenue generated in the first 6 months of the leasing period was TJS 550,000. By the end of the season (January 2023), the net revenue was projected to be TJS 867,000.	
(4) Impact of leasing scheme for indirect beneficiaries		<p>The leasing benefited indirect beneficiaries (neighboring farmers) in the following ways:</p> <ul style="list-style-type: none"> <li>➤(a) Machine services have become more accessible with less time required for receiving the services;</li> <li>➤(b) The total amount of time required for cultivation was reduced by the new tractor through its higher efficiency; and</li> </ul>	

		➤(c) Machine services became less expensive for indirect beneficiaries (20% cheaper per hectare). The average amount of money expected to be saved by each indirect beneficiary is TJS 600 per year.		
<b>3. Rakhshona (Direct beneficiary)</b>				
(1) Business Overview	Location	Asht		
	Product and service	Cultivation of cotton and fruit, fish farming and livestock production		
(2) Leased machine and planned utilization	Leased machine	1 Belorussian tractor MTZ 82.1(Capacity: 82 hp)		
	Leased machine usage	The leased tractor was to be used for the cultivation of cotton and fruit.		
	Expected target population to benefit from scheme	Returnee migrant laborers who will be employed by Rakhshona		
	Background & Justification	Rakhshona is a DF in Asht which owns 1,090 ha of land. Before the lease, the DF used only 612 ha for cultivation, with the remaining 478 ha not being used due to a lack of irrigation facilities (land reclamation works were underway). The DF's annual sales with TJS 33,480,000 with a profit of TJS 14,916,000 in 2021. Since the enterprise was expanding its cultivated land (by improving a non-utilized 478 ha), it needed additional agricultural machines.		
Expected social and economic impact	With the leased machine, Rakhshona LLC planned to expand its cultivated land from 612 ha to 750 ha by the end of 2023. The beneficiary was already employing 10 returnee labor migrants prior to receiving the leased tractor; more migrants were expected to be employed as seasonal workers during the cotton picking season.			
(3) Impact of leasing scheme for direct beneficiaries	Change in the number of employees	Seasonal	(Before) 400 laborers   (After) 450 laborers	
		Permanent	(Before) 800 laborers   (After) 900 laborers	
		Remarks	A total of 21 migrant laborers were employed as seasonal workers	
	Change in the number of machine service clients	N/A (The DF provide no machine service)		
	Change in cultivated land size	(Before) 612 ha   (After) 612 ha	The DF had no change in its cultivated land size as of the end of 2022 since the construction of the irrigation was still ongoing. The DF plans to start expanding its cultivated land in 2023 with the leased machine.	
		Change in production volume	(Before) 2,700 tons   (After) 2,700 tons	The production volume is expected to increase in 2023 since the DF will start expanding its cultivated land shortly.
	Change in revenue	(Before) TJS 30,000,000   (After) TJS 32,000,000	The revenue generated in the first 6 months of the leasing period slightly increased with increased sales of agricultural products. The revenue increase was partly attributed to reduced maintenance that was achieved by having the new leased tractor.	
(4) Impact of leasing scheme for indirect beneficiaries		N/A (The DF provide no machine service)		
<b>4. DF Sadbarg (Direct beneficiary)</b>				
(1) Business Overview	Location	Asht		
	Product and service	Cotton cultivation and machine services		
(2) Leased machine and	Leased machine	1 Belorussian tractor MTZ 82.1(Capacity: 82 hp)		
	Leased machine usage	The leased tractor was planned to be used for cotton and cereal cultivation as well as for machine services.		

planned utilization	Expected target population to benefit from scheme		Neighboring returnee migrant farmers who will receive machine services from DF Sadbarg	
	Background & Justification		DF Sadbarg is a DF in Asht which owns 45 ha of land. Before the leasing, the DF used 10 ha for cultivation with the remaining 35 ha of land rented to neighboring farmers. The DF's annual revenue was TJS 1,600,000 in 2021. The DF owner decided to start machine services for neighboring households who needed access to cultivation machines in order to diversify its revenue sources.	
	Expected social and economic impact		By the provision of a fee-based service, DF Sadbarg would generate more income. At least 10 neighboring households headed by returnee migrants would be able to save money through DF Sadbarg's machine services (Neighboring farmers would no longer need to use the tractor services travelling from a long distance, which required an additional cost)	
(3) Impact of leasing scheme for direct beneficiaries	Change in the number of employees	Seasonal	(Before) 7 laborers	(After) 8 laborers
		Permanent	(Before) 0 laborer	(After) 4 laborers
		Remarks	During the first 6 months of leasing period, 4 returnee migrants were employed as seasonal workers.	
	Change in the number of machine service clients		(Before) 8 people	(After) 14 people
			All of the clients are returnee migrants. The number is expected to increase in the winter season (January to March 2023) after they come back from Russia.	
	Change in cultivated land size		(Before) 10 ha	(After) 10 ha
			Although no change has been made to the DF's cultivated land size, the total land size owned by the DF was expanded from 45 ha to 48 ha, with the expanded 3 ha rented to neighboring farmers.	
Change in production volume		(Before) 200 tons	(After) 210 tons	
		The DF expects more increase in its production volume in 2023.		
Change in revenue		(Before) TJS 2,300,000	(After) TJS 2,400,000	
		The DF achieved the revenue increase by starting the machine services with the leased machine and expanding its land for renting to neighboring farmers.		
(4) Impact of leasing scheme for indirect beneficiaries		<p>The leasing benefited indirect beneficiaries in the following ways:</p> <ul style="list-style-type: none"> <li>➤ Machine services have become more accessible with less time required for receiving the services than before;</li> <li>➤ The total amount of time required for cultivation was reduced by the new tractor with high efficiency; and</li> <li>➤ The amount of diesel required for cultivation was reduced from 34 liters to 20 liters, resulting in money saved.</li> </ul>		
<b>5. E.Boymatov LLC (Direct beneficiary)</b>				
(1) Business Overview	Location		Kanibadam	
	Product and service		Cotton cultivation	
(2) Leased machine and planned utilization	Leased machine		1 Iranian tractor TAJIRAN 475 (Capacity: 75 hp)	
	Leased machine usage		The leased machine was to be used for cotton cultivation.	
	Expected target population to benefit from scheme		Returnee migrant laborers who will be employed by E.Boymatov LLC	
Background & Justification		E. Boymatov LLC's main activities are cotton cultivation and cotton seed production. With cotton being a highly demanded agro-product in Tajikistan and abroad, the farm owns 724 ha of land in Kanibadam District and has an annual turnover of nearly TJS 5.8 million. Only 100 ha of the 724 ha was used by the farm itself; the rest was		

		rented out. Boymatov LLC planned to expand the area under its own cultivation from 100 ha to 160 ha, and thus the farm needed an additional tractor.
	Expected social and economic impact	By expanding the area of cultivation, the farm would be able to grow more cotton and generate more profits. In addition, Boymatov LLC had already recruited 6 returnee migrants as permanent staff and was planning to employ an additional 20 people (including 8 returnee migrants) as seasonal workers.
(3) Impact of leasing scheme for direct beneficiaries	Change in the number of employees	N/A (monitoring has not been conducted yet due to the restriction on a trip to Kanibadam)
	Change in the number of machine service clients	
	Change in cultivated land size	
	Change in production volume	
	Change in revenue	
(4) Impact of leasing scheme for indirect beneficiaries		
<b>6. DF Amina (Direct beneficiary)</b>		
(1) Business Overview	Location	Kanibadam
	Product and service	Apricot cultivation
(2) Leased machine and planned utilization	Leased machine	1 Chinese tractor (Chinese YTO-404) with attachment (cultivation power: 39.4 HP)
	Leased machine usage	The leased machine was to be used for apricot cultivation as well as for machine services to neighboring farmers.
	Expected target population to benefit from scheme	(a) Neighboring returnee migrant farmers who will receive machine services from DF Amina; and (b) Returnee migrant laborers who will be employed by DF Amina.
	Background & Justification	DF "Amina", located in Kanibadam, produces high quality apricots. The demand for high quality apricots was increasing domestically and abroad. Amina's annual profits were around TJS 15,000. A small sized tractor could increase Amina's productivity, which would lead to more sales. Amina was employing 5 returnee migrant workers to assist in production and was expected to employ more.
	Expected social and economic impact	By using the leased machine, Amina would be able to cultivate its own land and then provide cultivation services to 5 surrounding farmers. As a result, each recipient of the service could expand their cultivated land. (Returnee migrant workers in neighboring areas had no access to machinery)
(3) Impact of leasing scheme for direct beneficiaries	Change in the number of employees	N/A (monitoring has not been conducted yet due to the restriction on trip to Kanibadam)
	Change in the number of machine service clients	
	Change in cultivated land size	
	Change in production volume	
	Change in revenue	
(4) Impact of leasing scheme for indirect beneficiaries		

## 1-2 Activities to establish the modality for supporting MSE in preparing business plans

Output 2: The modality for supporting MSE in preparing business plans is established.

### 1-2-1 Identify and strengthen the human resources (including external resources) who conduct the diagnosis of MSE's operation, specify the needs of support for each MSE, and support MSE in preparing business plans

BIP looked for prospective consultants/mentors through various channels, (e.g., SIBI's internal database, information provided through BIP staff's personal connection, the United Nations website ([www.untj.org](http://www.untj.org)) and the PEAK<sup>5</sup> Enterprise Innovation Programme's database). The majority of these consultants were business consultants whose specialties included marketing, finance and business strategy. As of September 2022, BIP together with SIBI had signed MOUs with a total of 71 consultants for the provision of consulting services after verifying the consultants' experience in business planning and skills through the information BIP collected. Among these 57 registered consultants, 20 were involved in BIP consulting services; over the course of the monitoring of each consulting service, BIP staff provided advice to the consultants, strengthening their capacity.

### 1-2-2 Establish methodologies for supporting MSE in preparing business plans while strengthening their capacity

In April 2022, BIP drafted the "Guidelines for the Provision of Incubation Services" (Annex 12), which sets out the modality for supporting MSEs in preparing business plans. The guidelines define the overall workflow of the Incubation Services, the tasks to be carried out and their implementation methods, and the responsibilities of the involved parties and staff. It also includes the formats to be used in performing each task. BIP provided support for business plan preparation to MSEs and entrepreneurs based on these guidelines.

### 1-2-3 Support MSE in preparing business plans

In cooperation with SIBI, BIP shortlisted consultants from BIP's database who were deemed most capable of meeting the entrepreneurs' needs, and then allowed entrepreneurs to select the consultant. At the beginning of the consulting services, each consultant prepared a work plan that specified the composition of services to be provided. By the end of the project period, consulting services had been provided to a total of 10 entrepreneurs for the preparation of business plans. The results of the incubation services (including both consulting and mentoring services) provided to entrepreneurs are shown in the table below.

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<sup>5</sup> PEAK is a four-year initiative funded by the UK Government's Foreign, Commonwealth & Development Office that aims to promote a stronger, diversified and more inclusive private sector in Tajikistan; stimulate the development of startups and MSMEs; and increase business innovation and promote entrepreneurial support for local youth, women, migrants and other disadvantaged groups.

Table 8: Results of the Incubation Services

<b>1. Top Toza (Dushanbe)</b>		
(1) Business overview	Business sector	Laundry services
	Description of business	Providing laundry services for various clothes (women's and men's clothes, outerwear, children's clothes and home textiles)
	Opportunity/Challenges	The beneficiary wanted to provide a laundry service at a reasonable price, targeting mainly foreigners staying at hotels. However, the number of customers she could reach was limited and expanding the business was a challenge. Thus, support was needed in developing a business plan for expanding the business.
(2) Incubation service results	Services provided	Consulting
	Service Period	From September 2021 to November 2021
	Incubation service objective	(a) Developing a business plan for the laundry business; and (b) Preparing a road map to implement the business plan.
	Main achievements	A business plan was developed with three different scenarios (worst-case scenario, medium scenario and best scenario) with detailed financial projections for each scenario.
	Other achievements	Over the course of the consultancy, the beneficiary obtained basic business knowledge with which she could analyze the feasibility of her business options. However, the beneficiary suspended the business due to her family reasons.
<b>2. RasonTJ (Dushanbe)</b>		
(1) Business overview	Business sector	E-Commerce
	Description of business	Online food and product delivery service
	Opportunity/Challenges	Demand for online delivery services had been growing in Tajikistan following the Covid-19 pandemic. However, since online delivery services were still new to Tajikistan, the entrepreneur had difficulty having its services widely accepted by consumers.
(2) Incubation service results	Services provided	Consulting and mentoring
	Service Period	From October 2021 to December 2021
	Incubation service objective	(a) Developing a marketing plan for reaching out to potential new customers; and (b) Developing a business plan.
	Main achievements	(a) A search engine optimization plan and a sales promotion strategy were developed, leading to an increase in the number of platform users; and (b) A business plan for expanding market share was developed and shared with an investor.
	Other achievements	Over the course of the consultancy, the beneficiary recognized the status of e-commerce development in neighboring countries. Some cases from other countries presented by the consultant motivated the beneficiary.
<b>3. Diyor Shoes (Isfara)</b>		
(1) Business overview	Business sector	Shoe production
	Description of business	Male shoe production (school children's, business and sport shoes)
	Opportunity/Challenges	Low efficiency caused by the production of a wide variety of shoes hindered the beneficiary from expanding the business. The beneficiary needed support in optimizing its production by identifying promising product lines and establishing a marketing strategy to diversify sales channels.

(2) Incubation service results	Services provided	Mentoring
	Service Period	From April 2022 to October 2022 (service provision was called off when business operations were affected by the border conflict with the Kyrgyz Republic in Sughd Region)
	Incubation service objective	(a) Developing a product development strategy; and (b) Developing a marketing strategy for expanding the business in Tajikistan and Russia.
	Main achievements	(a) Based on the results of marketing research and a client satisfaction survey, the beneficiary identified products which could attract more customers. As a result, the total amount of production was increased by allocating resources effectively (the number of product lines was reduced from 40 to 5); and (b) The beneficiary developed a new marketing strategy for online sales and redesigned its website to start selling its products online.
	Other achievements	Partnership with a Russian shoe production company (still in negotiation with the company)
<b>4. Upgrade (Dushanbe)</b>		
(1) Business overview	Business sector	HR Recruitment
	Description of business	Providing recruiting services to employers in Tajikistan through its online platform
	Opportunity/ Challenges	Although online recruitment services have gradually become an important channel for employers in Tajikistan, no recruiting company has established a strong market position as of yet. The challenge for the beneficiary was to differentiate its service from competitors by improving the quality of services provided through its job portals.
(2) Incubation service results	Services provided	Mentoring
	Service Period	From April 2022 to November 2022
	Incubation service objective	(a) Developing a product improvement plan; and (b) Developing a marketing strategy to increase brand awareness in Tajikistan.
	Main achievements	(a) The beneficiary identified items to be improved in its job portal and then updated its user interface to make it more user-friendly, which resulted in a 20% increase in the number of users following the update; (b) An internal data collection system was developed so that the company could continuously improve its product through data analysis; and (c) The brand name was updated from “TajWork” to “Upgrade”.
	Other achievements	The business plan prepared through the incubation services attracted investors’ attention (the beneficiary is in negotiation with several local investors to raise USD 350K).
<b>5. Oxford Learning Center (Dushanbe)</b>		
(1) Business overview	Business sector	Education services
	Description of business	Providing English courses, programming courses and university preparation courses for high school students
	Opportunity/ Challenges	The beneficiary wanted to expand its business to the Uzbek market, which provided a greater opportunity with a larger population than that of Tajikistan. In order to tap into the opportunity, the beneficiary first needed to strengthen its market position in Tajikistan through: (a) developing its local organizational capacity; (b) differentiating its products (online platform); and (c) raising funds to launch more branches in Dushanbe.



(2) Incubation service results	Services provided	Consulting and Mentoring
	Service Period	From April 2022 to December 2022
	Incubation service objective	(a) Organizational development; (b) Developing a marketing strategy; and (c) Developing a business plan for expanding the business to the Uzbek market.
	Main achievements	(a) New organizational structures, functions and systems such as a quality assurance department and CRM-system were developed; (b) The beneficiary developed services such as an automated testing system and student monitoring system designed for parents, which could differentiate the company from competitors; and (c) The beneficiary's vision was updated with the business strategy for the Uzbek market being defined.
	Other achievements	One learning center was established in Dushanbe based on a business plan prepared through the consultancy. Two more are planned to be established soon (the total amount of investment will be USD 130K). The beneficiary applied new ideas learned over the course of the consultancy to its new business markets (middle school and kindergarten).
<b>6. Ticom (Dushanbe)</b>		
(1) Business overview	Business sector	Organic fertilizers
	Description of business	Producing organic fertilizers
	Opportunity/ Challenges	Demand for organic fertilizers was not fully met as only a few fertilizer companies in Tajikistan produced organic fertilizers. In order to tap into this business opportunity, the beneficiary needed additional funds to expand its business. The challenge for the beneficiary was to develop an attractive business plan for investors.
(2) Incubation service results	Services provided	Consulting
	Service Period	From April 2022 to December 2022
	Incubation service objective	(a) Develop a business plan for expanding the business; and (b) Make the business plan attractive to investors.
	Main achievements	With the help from the consultant, the beneficiary developed a business plan based on better understanding of main customers and competitors. In the course of the consulting service, the beneficiary identified a large potential for exporting its products to other countries. Thus, the beneficiary approached prospective clients in Turkey and UAE to discuss the terms of deals. As of the end of January 2023, the discussion was still ongoing.
	Other achievements	N/A
<b>7. Green technology (Khatlon)</b>		
(1) Business overview	Business sector	Green energy system services
	Description of business	Manufacturing and selling energy equipment (e.g. solar panels, batteries, inverters, solar pumps and solar water heaters) and green energy system installment
	Opportunity/ Challenges	In general, the green energy market has not met its growth potential as the market has not been widely recognized in Tajikistan. The beneficiary considered the situation as a promising opportunity since only a few companies provided such products on the market. The challenge for the company was to establish a green energy market by increasing people's awareness through marketing activities.

(2) Incubation service results	Services provided	Mentoring
	Service Period	From April 2022 to October 2022
	Incubation service objective	Improving their marketing strategy in order to attract new customers.
	Main achievements	(a) The company website was redesigned with necessary basic information in place; (b) An SNS marketing method was introduced to reach out to potential customers; (c) Successful project cases and positive client feedback were prepared and promoted via its website and SNS channels; and (d) The beneficiary applied for a trademark for its logo and brand to establish its market position.
	Other achievements	N/A
<b>8. Insoft (Dushanbe)</b>		
(1) Business overview	Business sector	Sewing
	Description of business	Manufacturing uniforms, bags, pillow cases and mattresses for businesses and local government
	Opportunity/ Challenges	The beneficiary wanted to expand its business to Russia since no significant growth in the local market was expected. In order to achieve this goal, the beneficiary first needed to strengthen its position in the local market and prepare for expanding its business into Russia in the near future.
(2) Incubation service results	Services provided	Mentoring
	Service Period	From April 2022 to November 2022
	Incubation service objective	Developing a marketing strategy for achieving solid growth in the local market by attracting new customers.
	Main achievements	(a) A new marketing strategy was developed, taking into account the business's strengths and weaknesses as identified through a competitor analysis. Based on the new marketing strategy, its product lines as well as its pricing policy were reviewed and an exporting strategy for its products was prepared. Furthermore, an incentive program was developed for staff so that they would actively engage in selling to potential clients; and (b) A company website was redesigned to strengthen its digital marketing.
	Other achievements	A local bank, Arvand, showed interest in providing a loan to the beneficiary to expand its production facility. Moreover, the beneficiary applied the new ideas learned over the course of the mentoring sessions into its new business (provision of sewing lessons to local tailors).
<b>9. IE Khalimamo Gulmadova (Kulyab)</b>		
(1) Business overview	Business sector	Retail
	Description of business	Selling daily necessities to local residents through a grocery shop in Kulyab
	Opportunity/ Challenges	In a small town located in the outskirts of Kulyab where the beneficiary resided, no nearby grocery shop was available for local residents. The beneficiary decided to take advantage of this business opportunity. The challenge for the beneficiary was to run a profitable business and gain funds required for opening the shop.

(2) Incubation service results	Services provided	Consulting
	Service Period	July 2022 (1 month)
	Incubation service objective	Developing a business plan.
	Main achievements	The beneficiary received a bank loan (TJS 20,000) with the business plan prepared through the incubation service, with which the beneficiary successfully opened a grocery shop.
	Other achievements	Over the course of the consultancy, the beneficiary attained a deeper understanding of the financial aspects of the business, which helped the beneficiary avoid risks and increase its financial turnover. The beneficiary also developed ideas for selling homemade pastries and sweets to fulfill local customer demand.
<b>10. IE Sharipov Firuz (Dushanbe)</b>		
(1) Business overview	Business sector	Fish Aquaculture
	Description of business	Running a trout farm
	Opportunity/Challenges	Trout market in Tajikistan has not met its full potential yet though Tajikistan has favorable conditions for the business such as mild climate and rich and clean water resources. Under these circumstances, the beneficiary aimed to start a new trout farm business. The challenge was that trout fish was still expensive for most of consumers in Tajikistan.
(2) Incubation service results	Services provided	Consulting
	Service Period	From September 2022 to December 2022
	Incubation service objective	Development of a business plan for the new business
	Main achievements	The beneficiary developed a business plan with deeper understanding of potential customers and competitors. Moreover, through conducting market research, the beneficiary identified a key business concept (the full life-cycle production of rainbow trout and amber trout in cages) that could differentiate his business from potential competitors'.
	Other achievements	The beneficiary has developed a set of documents required for presenting its business to investors.
<b>11. MIA Pajamas (Dushanbe)</b>		
(1) Business overview	Business sector	Sewing
	Description of business	The beneficiary produced designer pajamas in a limited number and sold them online within and outside the country.
	Opportunity/Challenges	The beneficiary's business used to experience solid growth, fulfilling core customers' needs with its original products (fashionable pajamas). However, due to the Covid-19 pandemic, the business was shut down due to decreased demand. In order to resume its business activities, the company needed to develop a business plan and a business strategy.
(2) Incubation service results	Services provided	Consulting
	Service Period	From September 2022 to December 2022
	Incubation service objective	Developing a business plan in order to secure a loan or investment.
	Main achievements	The beneficiary gained deeper understanding of potential customers' needs with the help from BIP's consultant. As a result, the beneficiary successfully introduced a competitive pricing policy and renewed its product line, and developed a business plan attractive to investors and financial institutions. In the pitching session organized by BIP, the beneficiary gave a presentation on its business plan and business strategy, which drew several financial institutions' attention

		(discussions with financial institutions were ongoing as of the end of January 2023). No tangible results such as sales increase are yet to be seen.
	Other achievements	N/A
<b>12. IE Ashurov Mirzoali (Dushanbe)</b>		
(1) Business overview	Business sector	Retail
	Description of business	Chain of single price men's clothing stores
	Opportunity/ Challenges	The beneficiary suffered from a surplus of unsold clothes in its two clothing stores. In contrast, the beneficiary found that low-income Tajik people faced difficulties getting clothes for their children and family members. The beneficiary wanted to develop a new business plan to fulfill this unmet need while attaining financial sustainability.
(2) Incubation service results	Services provided	Consulting
	Service Period	From September 2022 to December 2022
	Incubation service objective	Developing a business plan for a new store.
	Main achievements	The beneficiary developed a business plan for opening a new store which sells low price clothes to the low-income population. Over the course of the consultancy, the beneficiary learned that no other companies in the retail sector were running a business with a similar concept to the beneficiary's. Furthermore, the beneficiary gained a deeper understanding of how to establish a new store. With the financial model developed with the consultant, the beneficiary identified a financial partner who expressed interest in cooperation.
	Other achievements	The developed business plan attracted an investor in Kulyab, whose investment enabled the beneficiary to renovate his store.
<b>13. Intermarket LLC (Dushanbe)</b>		
(1) Business overview	Business sector	Sausage and dairy production
	Description of business	Producing sausage and dairy products
	Opportunity/ Challenges	Demand for high quality sausages was growing, especially among the middle class in Tajikistan. In order to realize this opportunity, the beneficiary needed to install modern production equipment for producing high quality sausages. In order to attract investment or obtain a loan, a business plan was needed.
(2) Incubation service results	Services provided	Consulting
	Service Period	From September 2022 to December 2022
	Incubation service objective	Developing a business plan for attracting investment or obtaining a loan.
	Main achievements	The beneficiary developed a new business plan by conducting market research and a SWOT analysis. Moreover, the beneficiary developed a marketing strategy that defined how to increase sales through sales representatives.
	Other achievements	N/A
<b>14. Dekhkan Farm Kuduzhon Kazakova (Dushanbe / Khatlon)</b>		
(1) Business overview	Business sector	Strawberry production
	Description of business	Producing strawberries in the greenhouses

	Opportunity/ Challenges	Although technical assistance from USAID was provided to the beneficiary to strengthen its capacity for producing a new type of strawberry, the beneficiary still faced challenges in identifying an appropriate market and making a production plan based on demand.
(2) Incubation service results	Services provided	Consulting and mentoring
	Service Period	From October 2022 to December 2022
	Incubation service objective	(a) Developing a business plan; and (b) Developing a marketing strategy through the SHEP approach.
	Main achievements	The beneficiary developed a marketing strategy through market research and identified that lower prices at local retailers could trigger higher demand from local residents. The beneficiary also identified an advantage through transporting strawberries to the Dushanbe market, which had a larger population. Moreover, marketing approaches, such as packaging and potential sales points in Dushanbe for their initial orders, were determined.
	Other achievements	N/A
<b>15. IE “Business and Kids” (Dushanbe)</b>		
(1) Business overview	Business sector	Education
	Description of business	Providing education courses on financial literacy to children
	Opportunity/ Challenges	Demand for quality education was growing in Tajikistan since more and more parents were keen to have their children gain skills for future success. However, education courses were not widely available and the limited number of available courses required expensive fees. In order to take advantage of this opportunity and establish its position in the market, the beneficiary wanted to strengthen its marketing activities.
(2) Incubation service results	Services provided	Mentoring
	Service Period	From November 2022 to December 2022
	Incubation service objective	Developing a marketing strategy and strengthening the business’ brand in the market.
	Main achievements	(a) A CRM system was introduced and tested to strengthen online marketing activities via email and targeted advertisement; (b) The business’ website was improved based on a revised MVV (mission, vision and values); and (c) The beneficiary started marketing activities on SNS as well as via mass media in order to reach out to potential customers.
	Other achievements	N/A

### **1-3 Activities to establish the modality for supporting MSE's access to finance.**

Output 3: The modality for supporting MSE's access to finance is established.
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#### **1-3-1 Develop modalities to link up MSE and micro-finance institutions and banks**

BIP approached a number of financial institutions and had a series of follow-up discussions with those financial institutions which expressed interest in further collaboration with the Project. As a result, SIBI signed MOUs with five financial institutions: Arvand, Khumo, First Micro Finance Bank, FINCA and Dushanbe City Micro Deposit Bank. The MoU stated that SIBI would introduce its clients (entrepreneurs and MSEs that had received BIP's support) to the financial institution and that the financial institution would introduce clients who wished to receive BIP's incubation services. Moreover, BIP invited loan officers from the financial institutions (Arvand, Khumo, First Micro Finance Bank, FINCA and Dushanbe City Micro Deposit Bank) to BoB training in order for them to understand the capacity of MSEs supported by BIP.

#### **1-3-2 Link up MSE and financial institutions and investors**

As a result of the consultancy (business plan preparation) rendered to IE Gulmadova, the enterprise successfully signed a loan contract with the First Microfinance Bank in July 2022 for the construction of its store. IE Mirzoali, a retailer for clothing, subsequently secured an investment from an investor in January 2023.

Throughout the project period, a majority of MSEs were found to have no interest in applying for loans due to high interest rates, the high level of required collateral and the short loan period. Moreover, it was found that business plans are not required for the financial institutions' loan appraisal procedure since they base the loan applicants' creditworthiness mostly on credit history, the availability of collateral and their social networks (i.e., personal referral by families and friends). In other words, even if a loan applicant submits a sound business plan, a loan will not be granted without any existing connections or sufficient collateral. As such, neither financial institutions nor MSEs placed importance on a business plan for financing.

On 14 December 2022, BIP organized a pitching session, inviting financial institutions and potential investors. A total of 8 entrepreneurs who received incubation services to develop business plans participated in the pitching session. In preparation for the pitching session, BIP provided extra support to the entrepreneurs through BIP's consultants and mentors to make their business plans attractive. A total of 3 local financial institutions (Arvand, Khumo and FINCA) and 4 Japanese investors attended the pitching session. After the session, representatives from financial institutions showed strong interest in providing support to some of the participants; meanwhile, a Japanese investor requested more information from one of the participants, Insoft, to further consider an investment. As of the end of January 2023, Japanese investors were still exploring business investment opportunities, including those with Insoft, as well as feasible investment schemes in Tajikistan. In early January 2023, Arvand

approved a loan to Intermarket, one of the entrepreneurs who had participated in the pitching session. Arvand also held a series of discussions with several other participants in the pitching session.

#### **1-4 Activities to establish the modality for conducting mentoring of MSE.**

Output 4: The modality for conducting mentoring of MSE is established.

##### **1-4-1 Identify and strengthen the human resources who conduct the mentoring of MSE**

The human resources used for the consulting services mentioned in “1-2-1 Identify and strengthen the human resources (including external resources) who conduct the diagnosis of MSE’s operation, specify the needs of support for each MSE, and support MSE in preparing business plans” were also used for mentoring services with the majority of consultants willing to provide both consulting and mentoring services. A total of 37 consultants were engaged in mentoring services. While monitoring the mentoring services, BIP staff provided advice to consultants, through which their capacity was strengthened.

##### **1-4-2 Establish methodologies for conducting the mentoring of MSE**

The Guidelines for the Provision of Incubation Services mentioned in “1-2-2 Establish methodologies for supporting MSE in preparing business plans while strengthening their capacity” also included methodologies for mentoring MSE.

##### **1-4-3 Conduct the mentoring of MSE**

Seven businesses received mentoring services as “Table 8: Results of the Incubation Services” shows.

#### **1-5 Activities to establish the modality for collaboration between business incubation and One-Stop Window.**

Output 5: The modality for collaboration between business incubation and One-Stop Window is established.

##### **1-5-1 Establish the modality of collaboration between DBI’s operation and the personnel assigned to the One-Stop Window**

At the time of the Detail Planning Survey mission in 2019, SICSPM expressed willingness to establish a One-Stop Window on SIBI’s premises with representatives from different governmental agencies, such as the Tax Committee and the Customs Office. However, after several meetings with the related governmental agencies in 2020, SIBI dropped the idea for technical and staffing reasons. Given that responding to MSME’s needs for consultation on business procedures is SIBI’s mandate, SIBI came up with a pilot initiative to establish an Advisory Center and asked for the donor support at the end of 2021. The Advisory Center came into operation in May 2022 with two consultants (a financial consultant and legal consultant) assigned. BIP requested them to compile and analyze questions asked to them by

visitors. Only five entrepreneurs visited the Advisory Center during the first month with this number gradually increasing to 19 in August 2022. A total of 83 consultations were provided to visitors from May 2022 to August 2022. The majority of the questions asked by the visitors during this period were registration, taxation, marketing and trademark issues. Taking it into account that both the financial consultant and legal consultant could cover registration and taxation issues while neither of them could cover marketing or trademark issues, BIP replaced the legal consultant with a trademark/marketing specialist in October 2022. From October 2022 to November, these two consultants served a total of 40 visitors, providing 58 consultations in total. In order to promote the Advisory Center and its activities more widely, BIP prepared leaflets and placed them at locations such as the Tax Committee's One-Stop Window or banks where entrepreneurs visit and wait in long lines. The leaflets reached more entrepreneurs and MSEs than SIBI's online advertisement on Facebook and Instagram. After placing the leaflets, the number of visitors to the Advisory Center tripled, so much so that the center could not accommodate all those who wished to have consultations. BIP also provided seminars in Bokhtar, Kulyab and Hisor districts on tax, customs and trade issues to MSEs in collaboration with the Tax Committee and the Chamber of Commerce and Industry of Tajikistan (CCIT), both of whom were mandated by the government of Tajikistan to play the role of a One-Stop Window for the registration of businesses and the issuance of certificates of origin, respectively.

**1-6 Activities to establish the methodologies for supporting government agencies in streamlining their administrative procedures related to business operations.**

Output 6: The methodologies for supporting government agencies in streamlining their administrative procedures related to business operations are established.

**1-6-1 Through DBI's interactions with MSE as well as with the One-Stop Window, identify the administrative procedures that are hindering efficient business operations**

and

**1-6-2 Select procedures that can be improved relatively easily and support the relevant government agencies in streamlining such procedures**

and

**1-6-3 Monitor the changes brought into administrative procedures**

The Detailed Planning Mission of this Project conducted in 2019 expected that bottlenecks in the administrative procedures that hinder businesses' smooth operation would be identified through the Project's cooperation with the One-Stop Window, which was at that time planned to be established on SIBI's premises. However, as mentioned in "1-5 Activities to establish the modality for collaboration between business incubation and One-Stop Window.", with the introduction of a One-Stop Window within SIBI not being realized, BIP lost the opportunity to identify the bottlenecks relevant to businesses



and intervene in the administrative procedures of different governmental agencies. This was too difficult to implement without the presence of One-Stop Window within SIBI. Given these circumstances, through a series of individual discussions with MSEs, donor agencies and projects, and government officials; BIP identified two issues that could be resolved without a One-Stop Window's involvement.

First, BIP learned that individual entrepreneurs (i.e., patent and certificate holders) were unable to make tax payments either online or via terminal payment machines; they had to physically visit one of the Amonat Bank branches every month and stand in long queues to pay taxes, which is a serious burden for individual entrepreneurs all over the country in terms of costs and time. In order to resolve this issue, BIP confirmed with the Tax Committee that online payment and payment through terminals were technically possible if an application was developed with the involvement of a commercial bank. BIP therefore approached several financial institutions to ascertain their interest in developing an online application for individual entrepreneurs' tax payment. The International Bank of Tajikistan (IBT) showed strong interest saying that the Bank had the same idea but were waiting for this opportunity as approaching and discussing the matter with the Tax Committee was difficult for commercial banks like IBT. Under BIP's facilitation, IBT and the Tax Committee reached an agreement in July 2021 on the development of an application that enables tax payment through smart phones and terminals. Based on the agreement and through BIP's facilitation, an application was jointly developed by IBT and the "Development and Tax Administration Centre" (a State Unitary Enterprise under the Tax Committee), with final completion in December 2022. The application is expected to go live in February 2023.

Secondly, BIP found that individual entrepreneurs and MSEs who do not own an apartment or house have difficulties registering their businesses since the owners of the property do not allow their property to be designated as the legal address of their tenants. This is due to property owners preferring to avoid interactions with authorities, such as the Tax Committee, and even when the property is owned by an entrepreneur's family member. Through discussions with lawyers and tax specialists, BIP found that registering multiple businesses at one place was not prohibited under the law. BIP endeavored to identify organizations, such as co-working spaces, that would be interested in venturing into this business with CCIT finally showing strong interest in this initiative in December 2022. It is highly likely that CCIT will begin negotiations with the Tax Committee so that the two parties will come to an agreement on how this initiative could be implemented without delay.

## **1-7 Activities to establish networks linking the State Institution “Business Incubator” and similar initiatives in and out of the country.**

Output 7: Networks linking the State Institution “Business Incubator” and similar initiatives in and out of the country are established.

### **1-7-1 Establish linkages and partnerships with the government and donor agencies / projects promoting businesses (in such fields as technical and vocational education, supply chains of agriculture and agribusiness, investment and export promotion, and business climate), which will lead to the strengthening of the State Institution “Business Incubator”**

With BIP’s support, SIBI has successfully built partnerships with government and donor agencies; MOUs have been signed with PEAK, AgaKhan Foundation, GIZ (TRIGGER) and USAID Feed the Future Project (DAI). Among government and donor agencies, BIP has closely collaborated with PEAK; BIP provided incubation services (consulting and mentoring services) to entrepreneurs who were referred by PEAK. BIP also supported SIBI in convening a Kaizen seminar organized with KazAid by inviting the beneficiaries of BIP’s incubation services to the seminar. BIP also provided BoB training and Mini-Finance to female Afghan refugees and asylum seekers residing within Tajik borders in response to a UNCHR Tajikistan request to JICA Tajikistan Office. A total of 56 female Afghan refugees received training and submitted preliminary business plans; out of them, the Appraisal Committee approved 25 business plans as a result of which BIP provided sewing machines to each of them.

The UNDP-funded project “Youth Empowerment through Skills Development and Promotion of Innovation in Tajikistan” signed a contract with SIBI whereby SIBI is now conducting business training utilizing the BoB training materials developed by BIP. It is expected that SIBI will continue conducting BoB training under donor support, which will contribute to SIBI’s financial sustainability.

### **1-7-2 Invite lecturers from business-related institutions in Japan and third countries and send selected project beneficiaries to Japan and third countries**

In September 2021 BIP conducted a 5-day intensive training inviting lecturers from the Kobe Institute of Computing, a graduate school in Japan mandated with developing entrepreneurs’ capacity in the ICT sector. The lecturers presented a number of case studies of IT businesses from other countries and explained how to develop an ICT business model. A total of 16 participants from public institutions, private companies (mainly the IT sector) and non-profit organizations attended the training with 12 completing it.

From 4 to 17 November, BIP held CP training in the Chubu Region of Japan for a total of 7 participants from SCISPM and SIBI. The objective of the training was to have participants gain ideas from Japanese experiences that would be useful for developing a Tajikistan’s MSME and entrepreneurship promotion policy. During the training, networking and learning opportunities with a total of 7 local government

institutions were provided to the participants so that they could understand how Japan’s industrial policy had contributed to the growth of SMEs in the manufacturing sector in their respective areas. Moreover, participants visited private incubation centers to gain knowledge on how to effectively and efficiently support start-ups.

From 21 to 25 November 2022, BIP sent a group of 6 trainees (4 entrepreneurs selected from beneficiaries of BIP’s incubation services and 2 staff from SIBI) to Tashkent, Uzbekistan for the third country training held at the Uzbekistan-Japan Center for Human Development (UJC). UJC’s experienced lecturers gave the participants advanced business knowledge on management, marketing and client management, which are required for developing a business plan and strategy that can attract investors. Participants were also given an opportunity to visit a total of 5 local companies which corresponded to their interests and provided networking opportunities. This allowed participants to receive advice on how to overcome their own business challenges and start negotiations for expanding their business in the Uzbeki market. In fact, Insoft, one of the participants closed a deal with an Uzbek supplier which the entrepreneur visited during the third country training.

### **1-8 Activities to secure SIBI/DBI’s operational efficiency.**

Output 8: SIBI/DBI’s operational efficiency is secured.

#### **1-8-1 Draft standard operating procedures (SOP) and manuals for SIBI’s different operations.**

BIP developed Standard Operating Procedures (SOP) and manuals for administrative procedures of 5 functions at SIBI as shown below. One of the major administrative procedures “Evaluation of SIBI staff’s performance” was judged as not necessary to be developed in the Project, given that SIBI did not have financial resources to remunerate high performing individuals.

**Table 9: Developed SOP**

<b>Category</b>	<b>SOP</b>
Accounting	Accounting Policy of SIBI (Annex 17.1), SOPs of Accounting Tasks (Annex 17.2), and Flowcharts for Accounting SOPs (Annex 17.3)
Administration	SIBI Travel Policy (Annex 17.4), Travel Application Form (Annex 17.5), and Format for Travel Report (Annex 17.6)
Human resource	SIBI Employee Handbook (Annex 17.7), Recruitment Flowchart (Annex 17.8)
Document and data management	Guideline for Processing and Filing Source Documents (Annex 17.9) and Guideline on Document Management (Annex 17.10)
Service provision	Guideline for Delivery of BoB Training (Annex 6)
	Mini-Financing Implementation Guidelines (Annex 7)
	Guideline for Legal Requirements and Registration Procedures (Annex 15.1 - 15.4)
	Guidelines for Implementation of the Leasing Scheme (Annex 10)
	Guidelines for the Provision of Incubation Services (Annex 12)

**1-8-2 Monitor SIBI's operations and revise the SOP and manuals when necessary.**

The above-mentioned SOP and manuals were developed with the recognition that all state institutions are required to set out and follow their own SOP and manuals with a view towards maintaining accountability in their operations. Though SIBI is one of them, its scale of operation is still small due to limited financial and human resources being provided by the government. Moreover, when implementing donor-funded projects, SIBI is required to follow each donor's procurement procedures that are not necessarily conforming to its own guidelines. Thus, it was concluded that adhering to the developed SOPs and manuals would not necessarily improve SIBI/DBI's operational efficiency. Under these circumstances, SIBI is using part of them at this moment and will adopt other parts when its operations have evolved to a corresponding scale.

## Chapter2 Achievements of Overall Goal, Project Purpose and Outputs

### 2-1 Achievements of Overall Goal, Project Purpose, and Outputs

A summary of the overall goal, indicators, and their achievement are provided below.

**Table 10: Summary of the Achievements**

Narrative Summary	Objectively Verifiable Indicators	Results
<b>Overall Goal</b> The State Institution “Business Incubator” is able to provide effective services for the development of entrepreneurs and micro and small enterprises (MSE).	1. At least 25 businesses supported through SIBI’s incubation services increase revenues by 50% or increase employment.	<b>Highly likely to be achieved</b> It is likely that SIBI will, utilizing the modality developed by BIP, achieve this target in due course by mobilizing funding after the completion of BIP.
	2. At least 50 business plans prepared through SIBI’s incubation services are financially supported by financial institutions or investors.	<b>Revision proposed to the indicator</b> It has been made clear that most MSMEs have difficulties obtaining loans from financial institutions due to a lack of collateral and networks as well as high interest rates. In light of this, BIP recommends that this performance indicator be modified.
<b>Project Purpose</b> Dushanbe Business Incubator (DBI) becomes operational with its functions and operating methodologies established.	At least 2 business plans prepared through SIBI’s incubation services are financially supported by financial institutions or investors.	<b>Achieved</b> > IE Gulmadova signed a loan contract with FMFB in July 2022 as a result of the BIP’s consulting services (business plan preparation). > IE Mirzoali secured an investment from an investor in January 2023 as a result of BIP’s consulting service (business plan preparation).
<b>Outputs</b> 1. The modality for the delivery of “Basics of Business” (BoB) training is established.	1-1. BoB training materials are prepared, tested and adopted by SIBI.	<b>Achieved</b>
	1-2. At least <b>15 trainers</b> are trained.	<b>Achieved</b> <b>36 trainers</b> have been trained.
	1-3. Procedures to conduct BoB are established through which at least a total of <b>80 sessions</b> of training are delivered in the target districts (Dushanbe, Kulyab, Rasht, Vahdat, Kanibadam, Khuroson, Asht, Hamadoni and Vose).	<b>Achieved</b> A total of <b>82 sessions</b> of BoB training have been conducted (4 of them are for Afghan refugees): Kanibadam: 12 Asht: 17 Kulyab: 34 Dushanbe: 3 Vahdat: 9 Vose: 2 Rasht: 1 Hamadoni: 2 Khuroson: 2

	1-4. At least <b>50 businesses</b> supported by the Mini-Financing Scheme achieve an increase of revenues or employment.	<b>Achieved</b> Out of 429 businesses supported in the Mini-Financing Scheme, the number of businesses which achieved an increase of revenue or employment is shown below. Kanibadam: 32 Kulyab: 138 Asht: 55
	1-5. At least <b>10 businesses</b> supported by the leasing scheme achieve an increase of revenues or employment.	<b>Partially achieved</b> <b>Only 6 businesses</b> were supported from the BIP budget due to the diversion of the leasing budget to counterpart training in Japan. Tajikagroleasing will continue leasing equipment should the use of revolving fund be approved by JICA.
2. The modality for supporting MSE in preparing business plans is established.	2-1. At least <b>20 consultants</b> signed an MOU for supporting entrepreneurs in preparing business plans.	<b>Achieved</b> <b>57 consultants/mentors</b> signed the MOU pledging cooperation.
	2-2. At least <b>10 business plans</b> are prepared with support from DBI.	<b>Achieved</b> <b>12 business plans</b> have been completed for entrepreneurs and companies: Top Toza (laundry business) Rason.TJ (e-commerce) IE Gulmadova (retail) Insoft (textile) Ticom (organic fertilizer) IE Sharipov (aquaculture) Taj Work (recruitment) Intermarket (dairy/sausage production) IE Mirzoali (clothing shops) Business and kids (educational service) Oxford learning (educational service) MIA Pajama (textile)
3. The modality for supporting MSE's access to finance is established.	3-1. At least <b>5 MOUs</b> are signed with financial institutions.	<b>Achieved</b> MOUs were signed with <b>5MFIs</b> : Arvand, Khumo, Dushanbe City, First Micro Finance Bank, and FINCA.
	3-2. At least <b>10 business plans</b> are shared with financial institutions and investors.	<b>Achieved</b> <b>10 business plans</b> were shared with financial institutions and potential investors. IE Gulmadova shared her business plans with financial institutions. Rason TJ shared its business plan with an investor. Additional 8 participants of the pitch session presented their business plans to financial institutions and investors.
4. The modality for conducting mentoring of MSE is established.	4-1 At least <b>5 entrepreneurs</b> are mentored	<b>Achieved</b> <b>8 entrepreneurs/businesses</b> have been mentored. Rason.TJ, Diyor Shoes, Taj Work, Oxford Learning center, Green Technologies, Insoft, IE Maksuda, Business and kids.

5. The modality for collaboration between business incubation and One-Stop Window is established.	5-1. At least <b>3 events</b> are held in collaboration with One-Stop Window.	<b>Achieved</b> <b>3 training sessions</b> on tax issues and export issues for MSEs were held with the Tax Committee and CCIT, both of which function as proxies for the “One-Stop Window”.
6. The methodologies for supporting government agencies in streamlining their administrative procedures related to business operations are established.	6-1. At least <b>2 government procedures</b> are streamlined.	<b>Yet to be achieved</b> ➤ Tax Committee and IBT agreed to introduce an online tax payment option through IBT’s e-wallet and payment terminals. Operational testing of the system has been started, and the system integration is expected to be completed in February 2023. ➤ BIP is trying to find a solution to SMEs’ difficulty designating a legal address with which they can register their business. BIP is trying to find an organization that allows MSEs to register its premises as their common legal address.
	6-2. The number of days spent in processing requests submitted by SME to government agencies decreases at least in one procedure.	<b>Yet to be achieved</b> The indicator was incorporated into the PDM in anticipation of the establishment of a One-Stop Window, which did not occur. Thus, BIP identified topics shown in 6-1 through a series of individual discussions with MSEs, donor agencies and projects, and government officials. Given that the current indicator does not adequately measure the results of the adopted activity, BIP proposes a replacement of the indicator with “The time spent by MSEs decreases at least in one of the business-related procedures required by the government”. One of the topics shown in 6-1, online tax payment option, is expected to be realized in February 2023.
7. Networks linking the State Institution “Business Incubator” and similar initiatives in and out of the country are established.	7-1. At least <b>2 businesses</b> are supported jointly by DBI and government / donor agencies / projects.	<b>Achieved</b> ➤ MoUs with PEAK, AgaKhan Foundation, GIZ (TRIGGER) and USAID (ALG) have been signed, whose clients have been referred to DBI for support. ➤ 11 businesses have been introduced by PEAK, of which 9 have been supported through BIP’s business incubation services.
8. SIBI/DBI’s operational efficiency is secured.	8-1. SOPs and manuals have been prepared for at least <b>70%</b> of major administrative procedures.	<b>Achieved</b> SOPs and manuals have been prepared for 5 administrative procedures out of 6 (83%).

## 2-1-1 Output 1

Output 1: The modality for the delivery of “Basics of Business” (BoB) training is established.

### <Indicators>

1-1: BoB training materials are prepared, tested and adopted by SIBI.

#### **Result: Achieved**

The training and business incubation needs have been clarified. As mentioned in “1-1-2 Develop training materials for the training of trainers and participants”, the “Participant’s workbook” and the “Facilitator’s guide” were finalized in February 2021, translated in Russian and Tajik, and adopted by SIBI.

1-2: At least 15 trainers are trained.

#### **Result: Achieved**

By conducting ToT for candidate BoB trainers, BIP completed the training of 4 Master Trainers, 8 Trainers, 4 Assistant Trainers, 11 Backup Trainers and 9 Backup Assistant Trainers.

1-3: Procedures to conduct BoB are established through which at least a total of 80 sessions of training are delivered in the target districts (Dushanbe, Kulyab, Rasht, Vahdat, Kanibadam, Khuroson, Asht, Hamadoni and Vose).

#### **Result: Achieved**

As shown in “Table 6: BoB Training Sessions Conducted”, BIP provided a total of 82 BoB training sessions in the target districts (Dushanbe, Kulyab, Rasht, Vahdat, Kanibadam, Khuroson, Asht, Hamadoni and Vose) for a total of 874 trainees.

1-4: At least 50 businesses supported by the Mini-Financing Scheme achieve an increase of revenues or employment.

#### **Result: Achieved**

As discussed in “1-1-6 Implement the Mini-Financing Scheme”, BIP provided Mini-Finance to a total of 429 businesses across the three target districts (Kanibadam, Asht, and Kulyab). By the end of December 2022, BIP carried out the monitoring of 276 beneficiaries, out of which 222 (80%) achieved increased revenue. Furthermore, the Mini-Financing Scheme contributed to the creation of employment since 228 beneficiaries (83%) supported by the scheme, most of which are self-employed, remained in operation following the provision of items and equipment.



1-5: At least 10 businesses supported by the leasing scheme achieve an increase of revenues or employment.

**Result: Partially achieved**

As discussed in “1-1-7 Implement the Leasing Scheme”, the total number of businesses supported by the leasing scheme remained at seven, with six tractors handed over and another tractor to be leased through Tajikagroleasing’s revolving fund. BIP was not able to finance 10 businesses due to the diversion of the budget for leasing to the counterpart training in Japan. Tajikagroleasing will continue leasing equipment to more businesses utilizing the revolving fund. According to BIP’s monitoring, all the businesses under the leasing scheme experienced increased revenue as well as employment.

**2-1-2 Output 2**

Output 2: The modality for supporting MSE in preparing business plans is established.

**<Indicators>**

2-1: At least 20 consultants signed an MOU for supporting entrepreneurs in preparing business plans.

**Result: Achieved**

BIP signed MOUs with a total of 57 consultants/mentors to support entrepreneurs in preparing business plans.

2-2: At least 10 business plans are prepared with support from DBI.

**Result: Achieved**

A total of 12 business plans were prepared as shown in “Table 8: Results of the Incubation Services”.

**2-1-3 Output 3**

Output 3: The modality for supporting MSE’s access to finance is established.

**<Indicators>**

3-1: At least 5 MOUs are signed with financial institutions.

**Result: Achieved**

A total of 5 MOUs have been signed between SIBI and financial institutions (Arvand, Khumo, First Micro Finance Bank, FINCA and Dushanbe City Micro Deposit Bank). These MOUs state that SIBI will recommend to these financial institutions clients (entrepreneurs and MSEs) whose capacity has been strengthened through BIP’s support. In turn financial institutions will recommend to SIBI clients who wish to receive BIP’s training and/or incubation services.

3-2: At least 10 business plans are shared with financial institutions and investors.

**Result: Achieved**

A total of 10 business plans were shared with financial institutions and investors, including 8 business plans presented at the pitching session (see “1-3-2 Link up MSE and financial institutions and investors”). Among them, IE Gulmadova and IE Mirzoali secured financing.

**2-1-4 Output 4**

Output 4: The modality for conducting mentoring of MSE is established.

**<Indicator>**

4-1: At least 5 entrepreneurs are mentored.

**Result: Achieved**

BIP provided mentoring services to a total of 8 business as shown in “Table 8: Results of the Incubation Services”.

**2-1-5 Output 5**

Output 5: The modality for collaboration between business incubation and One-Stop Window is established.

**<Indicator>**

5-1: At least 3 events are held in collaboration with One-Stop Window.

**Result: Achieved**

In December 2022, BIP convened 3 seminars in Bokhtar, Kulyab and Hisor districts on tax and export issues for MSEs in collaboration with the two organizations that are operating One-Stop Windows: the Tax Committee and CCIT. A total of 75 individual entrepreneurs and enterprises participated in the seminars.

**2-1-6 Output 6**

Output 6: The methodologies for supporting government agencies in streamlining their administrative procedures related to business operations are established.

**<Indicators>**

6-1: At least 2 government procedures are streamlined.

**Result: Yet to be achieved**

As mentioned in “1-6 Activities to establish the methodologies for supporting government agencies in streamlining their administrative procedures related to business operations.”, BIP identified two issues that could be resolved without the One-Stop Window’s involvement; (a) a tax payment issue; and (b) a legal address issue. Regarding the tax payment issue (a), the development of a mobile application is expected to be completed by the end of January 2023 and go live in February 2023. For the legal address issue (b), BIP has endeavored to identify organizations, such as co-working spaces, that would be interested in providing this service, but has as of yet been unsuccessful.

6-2: The number of days spent in processing requests submitted by SME to government agencies decreases at least in one procedure.

**Result: Yet to be achieved**

The indicator was incorporated into the PDM in anticipation of the establishment of a One-Stop Window, which did not occur. Thus, BIP identified topics shown in 6-1 through a series of individual discussions with MSEs, donor agencies and projects, and government officials. The indicator was incorporated into the PDM in anticipation of the establishment of a One-Stop Window, which did not occur. Thus, BIP identified topics shown in 6-1 through a series of individual discussions with MSEs, donor agencies and projects, and government officials. Given that the current indicator does not adequately measure the results of the adopted activity, BIP proposes a replacement of the indicator with “The time spent by MSEs decreases at least in one of the business-related procedures required by the government”. One of the topics shown in 6-1, online tax payment option, is expected to be realized in February 2023; once online payment and payment through terminals is made possible, it will bring about significant time saving to individual entrepreneurs who are currently obliged to visit Amonat Bank and wait in long queues every month.

**2-1-7 Output 7**

Output 7: Networks linking the State Institution “Business Incubator” and similar initiatives in and out of the country are established.
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**<Indicator>**

7-1: At least 2 businesses are supported jointly by DBI and government / donor agencies / projects.

**Result: Achieved**

Through the MoUs signed with PEAK, AgaKhan Foundation, and GIZ (TRIGGER) and USAID (ALG), their beneficiaries have been referred to DBI for support. After due consideration on the necessity and effectiveness of such support, BIP provided incubation services to a total of 9 businesses referred by PEAK.

### 2-1-8 Output 8

Output 8: SIBI/DBI's operational efficiency is secured.

#### <Indicator>

8-1: SOPs and manuals have been prepared for at least 70% of major administrative procedures.

#### **Result: Achieved**

As "Table 9: Developed SOP" shows, BIP developed SOPs and manuals for the majority of SIBI's administrative procedures and shared the documents with SIBI.

### 2-1-9 Project Purpose

**Project Purpose:** Dushanbe Business Incubator (DBI) becomes operational with its functions and operating methodologies established.

#### <Indicator>

At least 2 business plans prepared through SIBI's incubation services are financially supported by financial institutions or investors.

#### **Result: Achieved**

As is stated in "1-3-2 Link up MSE and financial institutions and investors", as a result of the consulting services (business plan preparation), IE Gulmadova successfully signed a loan contract with the First Microfinance Bank in July 2022 for the construction of its store and IE Mirzoali secured an investment from an investor in January 2023.

## 2-2 Other Achievements

### 2-2-1 Video tutorials

As part of the support to the establishment of the SIBI training laboratory, BIP developed a total of 9 video tutorial modules that inform entrepreneurs on how to manage different common challenges. The online materials were provided to allow users such as start-ups, individual entrepreneurs or students to obtain, anywhere and at any time, basic information on how to start a business. The videos can be accessed via computers in the SIBI training laboratory, SIBI websites or SIBI's official Facebook page. The following table shows the topics covered in the video tutorials.

**Table 11: Topics Covered in the 9 Modules of Video Tutorials**

No.	Module	Topics covered in the module
1	How to open your business in Tajikistan	First steps of starting a business in Tajikistan
		From idea to starting a business. Where to begin
		The process of registration and closure of a private enterprise
2	Marketing and market research in Tajikistan	Assessment of the Tajik market and development of a value proposition for each target segment
		How to create a business brand in Tajikistan
		Why a business needs Social Media Marketing
3	Project pricing and budgeting	Record keeping
		Finance and budgeting of the project
		Basics of accounting for small businesses
4	Business planning in Tajikistan	How to plan the cash flow
5	State consultations	Legal aspects - Small Business Registration
		State registration of legal entities and individuals in a single window
		State benefits and preferences in the field of entrepreneurship
6	How to get to the state of business incubator	What is a Business Incubator. What are the benefits of SIBI.
		What services SIBI provides for entrepreneurs.
		Coworking business incubator
7	Financial opportunities for startups in Tajikistan	Where to look for investors.
		How to pitch.
8	Opening an individual entrepreneur	Detailed instruction on opening an individual entrepreneur
9	Electronic payment of taxes	Opening an account andoz.tj and paying all necessary taxes

On 6th September 2022, BIP convened a seminar on the E-tax system. The seminar was organized to respond to individual entrepreneurs' growing interest in the system, which enables them to file income taxes without physically visiting a tax office. An external speaker from the Advisory Center led the seminar. The speaker guided participants through the process for filing taxes, utilizing the video tutorial module No. 9 developed by BIP.

### **2-2-2 Advisory Center**

BIP supported SIBI's pilot initiative to establish an Advisory Center. The Advisory Center came into operation in May 2022 with two consultants (a financial consultant and legal consultant) assigned. A total of 83 consultations were provided to 47 visitors from May 2022 to August 2022. BIP/SIBI replaced the legal consultant with a trademark/marketing specialist in October 2022 so that the pilot initiative could attract more entrepreneurs and MSEs by addressing common challenges and difficulties they face. From October to November 2022, these two consultants served a total of 40 visitors, providing 58 consultations in total. After the Project placed leaflets at locations where entrepreneurs frequently visited and waited in long lines as described in "1-5-1 Establish the modality of collaboration between DBI's operation and the personnel assigned to the One-Stop Window", the number of inquiries to the Advisory Center tripled, which was far beyond the number of visitors that the center could accommodate. This demonstrated the importance of the services being provided.

## **Chapter3 Results of Evaluation**

### **3-1 Relevance**

The Relevance of the Project is judged to be “high” for the following reasons:

#### **(1) Relevance to the Development Policy of the Tajikistan Government**

BIP is in line with the National Development Strategy (NDS) 2016-2030, Tajikistan’s long-term strategic framework. As mentioned in “1 Background of the Project”, the long-term vision for economic growth stated in NDS is to develop value-added industries while diversifying its industries for further economic growth and job creation. NDS places the development of entrepreneurs and MSEs as one of its most important pillars for achieving its vision. The government’s strong commitment to achieving the vision through entrepreneur and MSE development was made clear with the decree establishing Business Incubator issued in 2018.

#### **(2) Relevance to the Needs of Beneficiaries**

BIP has two direct beneficiaries: enterprises including entrepreneurs and MSEs, and SIBI.

The majority of entrepreneurs and MSEs in Tajikistan lack the mindset and basic knowledge required for business growth and success. The same was also observed among returnee migrants who were prioritized among the target beneficiaries of BIP’s BoB training and Mini-Finance. As such, the approach of disseminating basic business knowledge widely to the target population through BoB training was found to be relevant to the needs of entrepreneurs and MSEs, leading to an increase in the number of businesses newly started and run.

Although BIP had intended to establish a system within SIBI for continuously providing support to entrepreneurs and MSEs, the Tajik Government was not ready to allocate an adequate budget to sustain the activities introduced by BIP. SIBI’s limited resources have been mainly oriented to activities targeting relatively high-level start-ups, such as hosting pitch events and meet-up sessions, with the support to the majority of low-level entrepreneurs and MSEs being left to donor assistance. That said, the delivery mechanisms that have been established within SIBI by BIP will enable SIBI to implement the same types of activities once funding is secured. In light of this, BIP is deemed to be relevant to SIBI’s needs.

### **3-2 Coherence**

The Coherence of the Project is judged to be “high” for the following reasons.

#### **(1) Coherence with the Japanese Aid Policy to Tajikistan**

The Project is in line with the Japanese Government’s aid policy to Tajikistan. As outlined in the Japanese Aid Policy to Tajikistan published in September 2018, private sector development is one of the three priority areas for JICA’s assistance to Tajikistan, along with basic social service improvement

and regional stabilization. Under this priority, the policy paper states that Japan will support the promotion of small and medium-sized businesses, which will then lead to an expansion in employment opportunities.

## **(2) Coherence with other donor agencies' projects and activities**

BIP has been complementary to other donor agencies' projects and activities in two ways. First, while other donor agencies' activities are concentrated on providing incubation support to a limited number of relatively high-level entrepreneurs who have already developed a business idea, BIP's main target for its BoB training and Mini-Financing was prospective entrepreneurs who lacked business experience (but had the minimum levels of literacy and numeracy). Second, since other donor agencies did not have budget for providing intensive support to the individual entrepreneurs/MSE who had completed the ideation phase, donor agencies referred these entrepreneurs/MSE to BIP, and BIP then assigned consultants to provide these businesses with consulting and/or mentoring services.

## **3-3 Effectiveness**

The Effectiveness of the Project is judged to be "relatively high" for the following reasons.

### **(1) Prospect for Achieving the Project Purpose**

The Project Purpose has been achieved, judging from the achievement levels of the Objectively Verifiable Indicators (OVIs) and the results of the Outputs. It should be noted, however, that the Project Purpose's OVI "At least 2 business plans prepared through SIBI's incubation services are financially supported by financial institutions or investors" does not necessarily reflect the achievement level of the Project Purpose "Dushanbe Business Incubator (DBI) becomes operational with its functions and operating methodologies established". It has become evident in the course of the implementation of BIP that in Tajikistan the development of business plans has almost no relation to credit approval by financial institutions. When judging the repayment capacity of prospective borrowers, financial institutions in Tajikistan mostly depend on the presence of the borrower collateral as well as their credit history, while credit officers tend to prepare the loan appraisal documents without referring to any business plans. It has been found that business plans are instead a useful tool for entrepreneurs to gather their thoughts and identify a series of specific actions to take as opposed to a document that demonstrates to a financial institution the feasibility of their project. From this perspective, the number of business plans that have effectively contributed to the growth of enterprises should have been the OVI to judge DBI's level of operational development. In addition, due to high interest rates in Tajikistan ranging from 20% to 30% per annum, very few entrepreneurs wish to take out long-term loans from commercial banks or MFIs.

### **(2) Important Assumptions for the Project Purpose**

The Project Purpose has remained relevant throughout the Project period since the Important Assumption for the Project Purpose "The policy of GOT to support SME is not changed." has been fulfilled.

### (3) Causality between the Project Purpose and Outputs

The following Outputs represent the basic components required for making incubation services operational at SIBI for MSEs and entrepreneurs: (a) a system for supporting MSEs and entrepreneurs; (b) SIBI’s institutional and organizational foundation; and (c) the government agencies’ administrative procedures required for MSEs and entrepreneurs. Therefore, a successful achievement of the Outputs is directly linked to the achievement of the Project Purpose.

**Table 12: Causality Between the Project Purpose and Outputs**

<b>Project Purpose</b> Dushanbe Business Incubator (DBI) becomes operational with its functions and operating methodologies established.			
<b>Basic constituents required for achieving the Project Purpose</b> (a) The system for supporting MSEs and entrepreneurs (b) The SIBI’s institutional and organizational foundation (c) The government agencies’ administrative procedures required for MSEs and entrepreneurs			
<b>Project Outputs</b>	<b>Basic constituents</b>		
	(a)	(b)	(c)
1.The modality for the delivery of “Basics of Business” training is established.	X		
2.The modality for supporting MSE in preparing business plans is established.	X		
3.The modality for supporting MSE’s access to finance is established.	X		
4.The modality for conducting mentoring of MSE is established.	X		
5.The modality for collaboration between business incubation and One-Stop Window is established.		X	
6.The methodologies for supporting government agencies in streamlining their administrative procedures related to business operations are established.			X
7.Networks linking the State Institution “Business Incubator” and similar initiatives in and out of the country are established.		X	
8.SIBI/DBI’s operational efficiency is secured.		X	

### 3-4 Efficiency

The Efficiency of the Project is judged to be “relatively high”. While most of Project inputs have been realized as planned to produce the intended Outputs, several factors decreased efficiency during Project implementation.

#### (1) Appropriateness of Inputs and Activities

##### (a) Positive Aspects

- Inputs from both the Tajikistan and Japanese sides have been mostly appropriate in terms of quantity and timing. JICA has mobilized experts with rich experience and knowledge in the respective areas.
- Although JICA experts were unable to visit Tajikistan from the beginning of the Project period (April 2020) through February 2021 due to the Covid-19 pandemic, they successfully



launched the Project utilizing experienced local staff. Furthermore, after the successful launch of the Project, BIP utilized these local staff to maintain close communication with key personnel in SIBI and SCISPM, which resulted in greater efficiency across the entire operation of the Project.

- The C/P training in Japan provided a total of 7 participants from SCISPM and SIBI with an opportunity to gain ideas from Japanese experience and towards developing Tajikistan's MSME and entrepreneurship promotion policy. During the training, networking and learning opportunities with a total of 7 local government institutions were also provided to the participants so that they could understand how Japan's industrial policy had contributed to the growth of SMEs in the manufacturing sector in their respective areas.
- The 5-day third country C/P training held in Uzbekistan provided 6 trainees (4 entrepreneurs selected from the beneficiaries of BIP's incubation services and 2 staffs from SIBI) with opportunities to obtain advanced business knowledge from UJC's experienced lecturers. The participants were also given the opportunity to expand networks with Uzbek enterprises, with which participants may be able to overcome their own business challenges and explore business opportunities in the Uzbeki market.

**(b) Negative Aspects**

- The delay in the start of the activities for developing a One-Stop Window, which was later replaced with the "Advisory Center" and "Computer Lab" activities, led to a loss of efficiency since an excessive amount of time was lost.
- The failure to establish One-Stop Window on SIBI premises had a significant negative impact on the achievement of Output 6; BIP lost the opportunity to build relationships with key governmental agencies that were supposed to assign their personnel to the One-Stop Window, and which was a pre-requisite for identifying bottlenecks to be removed in government administrative procedures.
- An excessive amount of time was taken to establish communication between IBT and the Tax Committee, which caused a delay in the development of the online tax payment option through IBT's e-wallet and payment terminals.

**(2) Important Assumptions for Outputs**

The Important Assumptions for Outputs "International Financial Institutions' lines of credit to Tajikistan financial institutions are maintained" lost its relevance. Prior to the beginning of the Project, it was envisaged that financial institutions would use the line of credit provided by international financial institutions to extend loans to BIP's consulting service beneficiaries. However, this did not materialize for the reasons described in "3-3 (1) Prospect for Achieving the Project Purpose".

### **3-5 Impact**

The Impact of the Project is judged to be “relatively high” for the following reasons.

#### **(1) Prospect for achieving the Overall Goal**

Whether SIBI will be able to achieve the first performance indicator of the Overall Goal, “At least 25 businesses supported through SIBI’s incubation services increase revenues by 50% or increase employment” within three to five years of the completion of the Project, is dependent on SIBI’s efforts to mobilize funding from the government or donor agencies. Given the significant level of impact that BIP produced on incubation services’ beneficiaries during Project implementation, it can be concluded that the modality and effectiveness of incubation services have been well established. As shown in “1-2-3 Support MSE in preparing business plans”, the incubation services successfully strengthened enterprises’ capacity to think strategically. It is envisaged that these enterprises will continue overcoming their challenges with this strengthened capacity, which will lead to a more than 50% increase in revenue and/or an increase in employment. The remaining mandate for SIBI for achieving the target figure is to mobilize additional funds so that this modality can be applied to more beneficiaries.

On the other hand, SIBI will have difficulties achieving the second indicator, “At least 50 business plans prepared through SIBI’s incubation services are financially supported by financial institutions or investors”, since most MSEs have difficulties obtaining loans from financial institutions due to lack of collateral and networks as well as high interest rates.

It should be noted that although SIBI would have difficulties fulfilling one of the performance indicators, SIBI is deemed to be on the right track toward the Overall Goal, The State Institution “Business Incubator” is able to provide effective services for the development of entrepreneurs and micro and small enterprises (MSE).” As described in “1-7 Activities to establish networks linking the State Institution “Business Incubator” and similar initiatives in and out of the country.” and similar initiatives in and out of the country”, SIBI is already conducting BoB training under the UNDP-funded project “Youth Empowerment through Skills Development and Promotion of Innovation in Tajikistan” utilizing trainers trained by BIP.

#### **(2) Important Assumptions for the Overall Goal**

It is highly likely that the Important Assumptions for the Overall Goal, “The policy of the Government of Tajikistan to support MSE is not changed”, will be maintained due to the consistent Tajik Government policy stated in “3-1 Relevance”.

### **3-6 Sustainability**

The Sustainability of the Project is judged to be “relatively high” for the following reasons.

#### **(1) Institutional Aspects**

As mentioned in “3-1 Relevance”, BIP is in line with NDS 2016-2030 which sets the development of entrepreneurs and MSEs as one of the most important elements for the long-term economic growth. SIBI was established in 2018 by a Presidential Decree to render support to MSEs, which will continue being the center for MSEs support.

#### **(2) Organizational and Financial Aspects**

BIP supported the newly established SIBI in securing its operational efficiency by developing different SOPs and manuals. BIP also helped SIBI install an accounting system and then strengthened its capacity to manage it. Being a state institution, SIBI’s main financial resource is the state budget allocated by the Ministry of Finance (MoF). MoF pledged to allocate TJS 1.9 million in 2023, almost 50% higher than TJS 1.28 million allocated in 2022. This fact proves that the government of Tajikistan recognized the value of SIBI’s activities and expected more results in the future. Moreover, SIBI management team has been showing a high commitment towards the organization and no one from the team has left during the Project period, which relatively secures its organizational sustainability.

As long as SIBI remains the “State Institution” prohibited from providing the same types of services of a private operator, the possibility for expanding its activities by securing financial sustainability is very small unless the government of Tajikistan significantly increases its budget allocation. SIBI thus has started considering transforming its legal status to a “State Unitary Enterprise (SUE)” which would enable it to carry out commercial activities with larger financial autonomy. In order to resolve SIBI’s financial sustainability issue with less dependency on donors’ support, the government of Tajikistan must make a decision to provide either a “larger budget” (as a State Institution) or “larger financial autonomy” (as an SUE).

#### **(3) Technical Aspects**

BIP provided a total of five TOT sessions on BoB training with a total of 36 people being trained. Among them, 21 were SIBI staff the first priority group to be trained as trainers. Though some of them already left SIBI, those who remained at SIBI have been active as trainers and become well-experienced. This includes the SIBI Deputy Director who was one of master trainers who provided TOT to prospective trainers. His continuing role ensures technical sustainability.

### **3-7 External factors that affected the progress of Outputs**

The progress of producing Outputs was hindered by the following external factors.

#### **(1) Covid-19 pandemic**

As mentioned in “3-4 Efficiency”, although BIP managed to launch the project successfully despite the travel restrictions imposed on JICA experts, the Covid-19 pandemic significantly slowed down project progress through frequent postponed meetings with stakeholders. This forced the Project to extend the project period by another 8 months as described in “3 Period of the Project”.

#### **(2) Tajikistan-Kyrgyzstan border clashes**

Over the course of the Project, clashes between Tajik and Kyrgyz residents broke out several times near the border. Due to the repeated occurrence of such clashes, from June 2022 Project staff were not able to visit Kanibadam (one of the Project’s target areas) to monitor the Mini-Finance beneficiaries. Having been heavily affected by the clashes, one of the beneficiaries of incubation services who was operating a business in Isfara suspended his business and thus stopped receiving consultation services.

#### **(3) Rapid depreciation of Japanese Yen**

In order accommodate budget reductions caused by the rapid depreciation of Japanese Yen, BIP was forced to cease disbursements to the leasing scheme in October 2022. As a result, BIP could not achieve the target (10 businesses) set for the leases.

### **3-8 Lessons learned**

#### **(1) Little necessity of business plans and low motivation for applying for loans**

Financial institutions usually do not require business plans from loan applicants, because they tend to approve a loan application only once the applicant has sufficient collateral and human networks to guarantee the repayment of the loan. In other words, MSEs have little chance to have their loan applications approved unless they have sufficient collateral and connection. As such, not only high interest rates but also this circumstance discourage MSEs from applying for loans.

#### **(2) Hesitation to be legally registered**

Most small businesses supported by BIP, such as Mini-Finance beneficiaries, hesitated to register their businesses as individual entrepreneurs due to the tax burden as well as the difficult and cumbersome procedures for closing a business. Only those who have confidence in their future growth or have the intention of conducting business with officially registered enterprises are willing to register. While projects should support both categories of enterprises, i.e. registered and non-registered, a different criteria should be applied. For example, while the maximum amount for Mini-Finance should be USD 500 for non-registered enterprises, a larger amount could be provided to registered enterprises.

### **(3) Importance of a combination of business training and in-kind support**

While obtaining business knowledge alone would not be enough for prospective entrepreneurs to in fact start a new business, the combination of business training and in-kind support provided by BIP encouraged them to take a bold step towards starting a business. As indicated in “1-1-6 Implement the Mini-Financing Scheme”, according to monitoring by BIP conducted at least six months following the delivery of items and equipment, more than 80% of beneficiaries were found to be continuing their businesses.

### **(4) Tailoring training in accordance with regional differences**

Most of female beneficiaries of the Mini-Finance Scheme both in the north (Asht, Kanibadam) and the south (Kulyab) chose sewing as their business, with different reasons between the regions. BIP’s monitoring revealed that most beneficiaries in the north chose sewing as they perceived a large demand in the area, whereas the main reason for women in Kulyab to have chosen this business was that they were not allowed by their husbands to work outside their home and they could manage sewing and household chores simultaneously at home. The southern part of Tajikistan is known to be more conservative, with people expected to strictly observe Islamic traditions. Being aware of this, BIP organized training sessions through women-only groups, to which female trainers were assigned. Likewise, in the northern region where the majority of people were ethnic Uzbeks, training was conducted in Uzbek language.

### **(5) Importance of choosing the right target group**

BIP’s target group was those who had completed secondary education and thus were at least competent in literacy and numeracy. In Tajikistan, other donors’ projects for entrepreneurship development have targeted university graduates (many of them even able to speak English) who had innovative ideas. In contrast, BIP reached out to those people who were in the vulnerable group but literate enough to start businesses after receiving a few days proper business training. As mentioned in “(3) Importance of a combination of business training and in-kind support”, their business survival rate turned out to be quite high. Given how the Tajikistan economy is vulnerable to external shocks, providing appropriate support to the above-mentioned groups, whose income was below the top level but above the most vulnerable without minimal literacy, was deemed to be both effective and efficient.

### **(6) Importance of using appropriate delivery channels**

As discussed in “1-5-1 Establish the modality of collaboration between DBI’s operation and the personnel assigned to the One-Stop Window”, SIBI’s Advisory Center succeeded in attracting clients only after its leaflets were placed at locations that many entrepreneurs visited (and had nothing to do but wait). It should be kept in mind that the choice of delivery channels should be a function of the target population; for example, while SNS could be used for attracting young university graduates for pitching sessions, conventional leaflets and posters should be placed in such (waiting) areas where many people visit if individual entrepreneurs are to be targeted.

## Chapter4 For the Achievement of Overall Goal after Project Completion

### 4-1 Prospects to achieve Overall Goal

Overall Goal: The State Institution “Business Incubator” is able to provide effective services for the development of entrepreneurs and micro and small enterprises (MSEs).

#### <Indicators>

- (1) At least 25 businesses supported through SIBI’s incubation services increase revenues by 50% or increase employment.**

It is likely that SIBI will, after the completion of BIP, achieve this target in due course by mobilizing funds and utilizing the modality developed by BIP. In other words, with the modality already established and the capacity of the professionals who provide services developed, the revenues and employment of the businesses supported by SIBI will surely increase. However, funds need to be mobilized to pay for these services since the same level of consultation cannot be expected from voluntary services.

- (2) At least 50 business plans prepared through SIBI’s incubation services are financially supported by financial institutions or investors.**

It is clear that most MSEs have difficulties obtaining loans from financial institutions due to a lack of collateral and networks as well as high interest rates. Under these circumstances, achieving the financing of 50 businesses would be extremely difficult even if SIBI made continuous efforts to connect MSEs with investors through its networks. In light of this, the target figure is deemed to be too ambitious, and thus it is recommended that it be reconsidered.

### 4-2 Recommendations

For further development of MSEs, the Project recommends the following activities:

- (1) Further dissemination of BoB trainings**

The effectiveness of the BoB training module developed by BIP has been proved through the implementation of the Project. SIBI has already started conducting BoB training by utilizing the funds obtained from UNDP. SIBI should further demonstrate to donor agencies its capability for conducting BoB training, which will contribute to SIBI’s financial sustainability.

- (2) Promoting collaboration with related governmental organizations**

Though the Project Purpose was achieved, Output 6 remains unachieved. The Project was expected to gather information from the One-Stop Window to identify bottlenecks in administrative procedures and remove those bottlenecks in collaboration with relevant government agencies. However, this was not realized as explained in “1-5-1 Establish the modality of collaboration between DBI’s operation and the personnel assigned to the One-Stop Window”. SIBI’s Advisory Center is currently in operation and is a

location where different challenges encountered by MSEs can be captured and compiled. It is recommended that SIBI continuously examine the issues raised in its Advisory Center by MSEs and, whenever deemed necessary, SIBI should approach relevant governmental agencies and request them to remedy these problems.

### **(3) Combining with technical training**

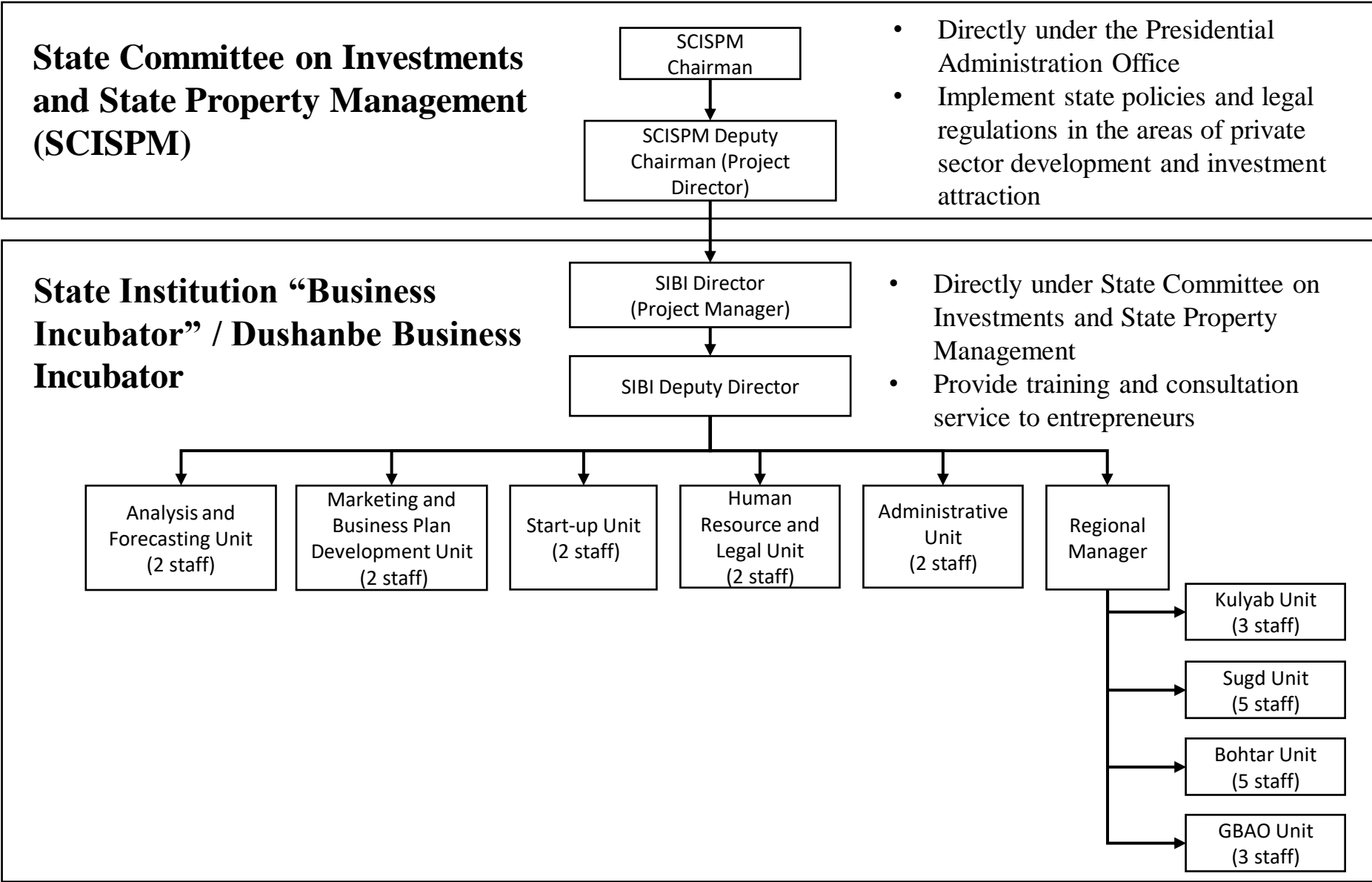
BIP's target population often needs specific technical skills. Though technical skills training (such as sewing, baking and barbering) is offered at SIBI's regional branches as well as by state-owned vocational centers such as the Adult Training Center of Tajikistan (ATCT), these technical training courses are mainly offered to those who wish to be "employed". These centers are thus not offering well-designed business training courses, if any, like the BoB training developed by BIP. In fact, through BoB sessions involving those who completed an ATCT training course with a business module, it was found that those individuals' business knowledge level was as low as those of returnee migrant workers. On the other hand, there were several cases of returnee migrant workers who participated in BoB training not being able to utilize the provided equipment to its fullest potential. It is thus recommended that BoB training and ATCT's technical skills training be offered to the target population as a package whenever found necessary.

## **Annex**

1. SCISPM's Organizational Structure
2. Record of Discussions
3. Project Design Matrix (PDM)
  - 3.1. PDM ver0
  - 3.2. PDM ver1
  - 3.3. PDM ver2
4. Plan of Operation ver4
5. Profile of Target Districts
6. Guideline for Delivery of BoB Training
7. Mini-Financing Implementation Guidelines
8. Memorandum of Agreement on Start-up Mini-Financing
9. Monitoring Questionnaire for Mini-Finance
10. Guidelines for Implementation of the Leasing Scheme
11. RuralInvest Final Report from FAO
12. Guidelines for the Provision of Incubation Services
13. List of Registered Consultants and Mentors
14. Memorandum of Understanding on Cooperation with Financial Institutions (Arvand)
15. Guideline on Legal Requirements and Registration Procedures for Business Start-ups
  - 15.1. Guideline for Legal Requirements and Registration Procedures (Instructions for Filling out the Form)
  - 15.2. Guideline for Legal Requirements and Registration Procedures (Limited Liability Company)
  - 15.3. Guideline for Legal Requirements and Registration Procedures (Small Business)
  - 15.4. Guideline for Legal Requirements and Registration Procedures (Dekhkan Farm)
16. Memorandum of Understanding on Cooperation with Donor Agencies (PEAK)
17. Standard Operating Procedures (SOP)
  - 17.1. Accounting Policy of SIBI
  - 17.2. SOPs of Accounting Tasks
  - 17.3. Flowcharts for Accounting SOPs
  - 17.4. SIBI Travel Policy
  - 17.5. Travel Application Form
  - 17.6. Format for Travel Report
  - 17.7. SIBI Employee Handbook
  - 17.8. Recruitment Flowchart
  - 17.9. Guideline for Processing and Filing Source Documents
  - 17.10. Guideline on Document Management
18. List of Provided Equipment



## **Annex 1 SCISPM's Organizational Structure**



## **Annex 2 Record of Discussions**

**RECORD OF DISCUSSIONS**

**FOR**

**BUSINESS INCUBATION PROJECT**

**AGREED UPON BETWEEN**

**STATE COMMITTEE ON INVESTMENT AND STATE PROPERTY  
MANAGEMENT**

**OF**

**THE REPUBLIC OF TAJIKISTAN**

**AND**

**JAPAN INTERNATIONAL COOPERATION AGENCY**

Dated: November 25, 2019

Based on the minutes of meetings on the Planning Survey for the Business Incubation Project (hereinafter referred to as "the Project") signed on September 3, 2019 between State Committee on Investment and State Property Management of the Republic of Tajikistan (hereinafter referred to as "SCISPM") and the Japan International Cooperation Agency (hereinafter referred to as "JICA"), JICA held a series of discussions with the Counterpart and relevant organizations to develop a detailed plan of the Project.

The purpose of this record of discussions (hereinafter referred to as "the R/D") is to establish a mutual agreement for its implementation by both parties and to agree on the detailed plan of the Project as described in the followings and the Annexes, which will be implemented within the framework of the Agreement on Technical Cooperation signed on February 15, 2005 (hereinafter referred to as "the Agreement") and the Note Verbales exchanged on April 5, 2019 between the Government of Japan and the Government of the Republic of Tajikistan.

SCISPM will be responsible for the implementation of the Project in cooperation with JICA, coordinate with other relevant organizations and ensure that the self-reliant operation of the Project is sustained during and after the implementation period in order to contribute toward social and economic development of the Republic of Tajikistan.

Both parties also agreed that the Project will be implemented in accordance with the "Basic Principles for Technical Cooperation" published in 2016 (hereinafter referred to as "the BP"), unless other arrangements are agreed in the R/D.

The R/D is delivered at Dushanbe as of the day and year first above written. The R/D may be amended by a minutes of meetings between both parties, except the plan of operation to be modified in monitoring sheets. The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the R/D.

For

JAPAN INTERNATIONAL  
COOPERATION AGENCY



Mr. Hideki TANABE  
Chief Representative  
JICA Tajikistan Office

For

STATE COMMITTEE ON  
INVESTMENT AND STATE  
PROPERTY MANAGEMENT



Mr. Farukh KHAMRALIZODA  
Chairperson

- Annex 1 Main Points Discussed
  - Annex 2 Project Design Matrix (PDM)
  - Annex 3 Plan of Operation (PO)
  - Annex 4 Implementation Structure
  - Annex 5 List of Proposed Members of Joint Coordinating Committee
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## **MAIN POINTS DISCUSSED**

### **I. BACKGROUND**

Tajikistan has seen an annual economic growth of 6 to 7 % since 2000. However, with its export industry heavily dependent on aluminum and cotton and the remittances from emigrants exceeding 30% of GDP, the Tajik economy is highly vulnerable to external factors, especially the Russian economy. In order to overcome this weakness, the country is required to develop high value-added products for export while diversifying its industry.

The Government of Tajikistan (GoT) considers the private sector development as one of the most important development pillars in its National Development Strategy 2016-2030 as well as in its Mid-term Development Strategy 2016-2020. With micro, small and medium enterprises (MSME), 47% of which are represented by Dehkan farms, accounting for 90% of the private enterprises, entrepreneurship development and the promotion of MSME have become a priority issue for GoT.

The main obstacles in business environment in Tajikistan are low access to finances due to high interest rates (average weighted rate on loans in national currency 22%), the high level of collateral requirement of financial institutions' loans and number of business inspections. Moreover, micro, small and medium enterprises lack skills of developing business strategy, administering, develop customer-oriented quality products and services, conducting marketing research and writing business plans in accordance with international standards to getting loans from banks.

The Government of the Republic of Tajikistan is taking necessary measures for removing obstacles hindering entrepreneurship development in the country. With the aim of development of micro, small and medium enterprises, improving entrepreneurs' skills in developing business strategy, effective business administration, their financial-taxation and legal literacy by the decree of the Government of the Republic of Tajikistan from 31 December 2018 State enterprise "Formation and development of entrepreneurship in Tajikistan" was established.

At the same time, the GoJ decided to implement technical cooperation aimed at entrepreneurship development in Tajikistan through business incubation.

## **II. OUTLINE OF THE PROJECT**

Details of the Project are described in the Project Design Matrix (Annex 2) and the tentative Plan of Operation (Annex 3).

### **1. Project Title**

Both sides agreed that the title of the Project is "Business Incubation Project". The Project Title will be formally determined after the Note Verbale of change of the Project Title has been exchanged between the Government of Tajikistan and the Government of Japan.

### **2. Implementation Structure**

The Project Organization Chart is given in Annex 4. The roles and assignments of relevant organizations are the following:

#### **(1) SCISPM**

##### **(a) Project Director**

Deputy Chairperson of SCISPM will be responsible for the overall administration and implementation of the Project.

##### **(b) Project Coordinator**

Director of the State Institution "Business Incubator" will be responsible for the coordination for the implementation of the Project

##### **(c) Project Manager**

Representative of Dushanbe Business Incubator (DBI) will be responsible for the overall administration and management of DBI in cooperation with Chief Advisor.

#### **(2) JICA Experts**

Chief Advisor will be engaged in the planning of the Project activities together with Representative of DBI and support their implementation. The JICA Experts will give necessary technical guidance, advice and recommendations to SCISPM and the State Institution "Business Incubator" on any matters pertaining to the implementation of the Project.

#### **(3) Joint Coordinating Committee**

Joint Coordinating Committee (hereinafter referred to as "JCC") will be established with the mandate of facilitating and overseeing the implementation of the Project. JCC will be held at least once a year and whenever deemed necessary. JCC will approve the annual work plan, review overall progress, conduct evaluation of the Project, and exchange opinions on major issues that arise during the implementation of the Project. The list of members of the JCC is shown in Annex 5.

### **3. Project Site and Beneficiaries**

#### **(1) Project Site**

- Entire Country of Tajikistan

#### **(2) Beneficiaries**

- Potential entrepreneurs, start-ups and micro and small enterprises



#### 4. Duration

Two (2) years and three (3) months

#### 5. Reports

JICA Experts and SCISPM will jointly prepare the following reports in English.

- (1) Monitoring Sheet on semiannual basis until the Project completion.
- (2) Project Completion Report one (1) month before the completion of the project

### **III. UNDERTAKINGS OF SCISPM**

#### 1. SCISPM will take necessary measures to:

- (1) ensure that the technologies and knowledge acquired by the Tajik nationals as a result of Japanese technical cooperation contribute to the economic and social development of Tajikistan, and that the knowledge and experience acquired by the personnel of Tajikistan from technical training as well as the equipment provided by JICA will be utilized effectively in the implementation of the Project; and
- (2) privileges, exemptions and benefits to be granted to the JICA Experts referred to in II-2 (2) above and their families, which are no less favorable than those granted to Experts and members of the missions and their families of third countries or international organizations performing similar missions in Tajikistan within the framework of Technical Cooperation Agreement between the Government of Japan and the Government of Tajikistan.
- (3) Other undertakings are as stipulated in Technical Cooperation Agreement between the Government of Japan and the Government of Tajikistan.

#### 2. SCISPM will bear claims, if any arises, against the JICA Experts resulting from, occurring in the course of, or otherwise connected with, the discharge of their duties in the implementation of the Project, except when such claims arise from gross negligence or willful misconduct on the part of the JICA Experts.

### **IV. MONITORING AND EVALUATION**

JICA and SCISPM will jointly and regularly monitor the progress of the Project through the Monitoring Sheets based on the Project Design Matrix (PDM) and Plan of Operation (PO). The Monitoring Sheets shall be reviewed every six (6) months. Also, Project Completion Report shall be drawn up one (1) month before the termination of the Project.

### **V. PROMOTION OF PUBLIC SUPPORT**

For the purpose of promoting support for the Project, SCISPM will take appropriate measures to make the Project widely known to the people of the Republic of Tajikistan.

## **VI. ENVIRONMENTAL AND SOCIAL CONSIDERATIONS**

With regard to the Section 10.1 of the BP, the Project is likely to have minimal adverse impact on the environment and society under the 'JICA Guidelines for Environmental and Social Considerations (April 2010)'.

## **VII. MISCONDUCT**

If JICA receives information related to suspected corrupt or fraudulent practices in the implementation of the Project, SCISPM and relevant organizations shall provide JICA with such information as JICA may reasonably request, including information related to any concerned official of the government and/or public organizations of the Republic of Tajikistan.

SCISPM, State Institution "Business Incubator" and relevant organizations shall not, unfairly or unfavorably treat the person and/or company which provided the information related to suspected corrupt or fraudulent practices in the implementation of the Project.

## **VIII. MUTUAL CONSULTATION**

JICA and SCISPM will consult each other whenever any major issues arise in the course of Project implementation.

## **IX. AMENDMENT**

The Record of Discussions may be amended by the minutes of meetings between JICA and SCISPM.

The Minutes of Meetings will be signed by authorized persons of each side who may be different from the signers of the Record of Discussions.

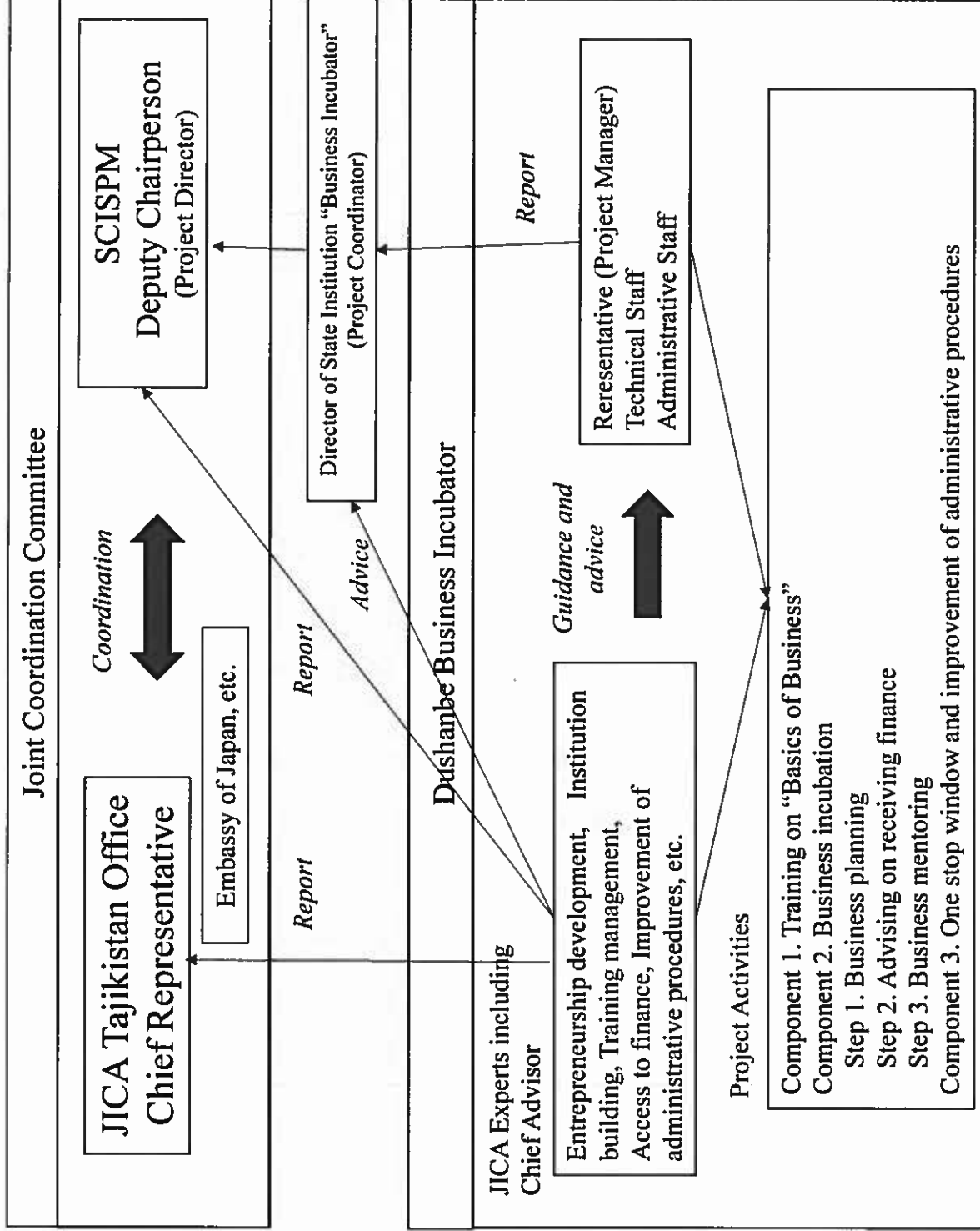
### Project Design Matrix (PDM 0)

- Project Title: Business Incubation Project in Tajikistan
- Period of the Project: 2 years and 3 months
- Project Site: Entire Country of Tajikistan
- Target Beneficiaries: Potential entrepreneurs, start-ups and micro and small enterprises with a special focus on youth, women and returned migrants

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
<b>Overall Goal</b>			
The State Institution "Business Incubator" is able to provide effective services for the development of entrepreneurs and micro and small enterprises (MSE).	<ol style="list-style-type: none"> <li>1. Number of MSE that increased sales and employment after receiving services by the State Institution "Business Incubator"</li> <li>2. Number of MSE that received financing with support from the State Institution "Business Incubator"</li> </ol>	<ol style="list-style-type: none"> <li>(1) Sample survey</li> <li>(2) Project monitoring sheet</li> </ol>	
<b>Project Purpose</b>			
Dushanbe Business Incubator (DBI) becomes operational with its functions and operating methodologies established.	<ol style="list-style-type: none"> <li>1. Established modalities and methodologies for strengthening the capacity of entrepreneurs and MSE</li> <li>2. Number of business plans financially supported by financial institutions or investors</li> </ol>	<ol style="list-style-type: none"> <li>(1) Project monitoring sheet</li> <li>(2) Project monitoring sheet</li> </ol>	<ul style="list-style-type: none"> <li>• The policy of GoT to support MSE is not changed.</li> </ul>
<b>Outputs</b>			
1. The modality for the delivery of "Basics of Business" training is established.	<ol style="list-style-type: none"> <li>1-1. Training materials in conformity with the identified needs (for training of trainers and for training of participants) that are ready to be used</li> <li>1-2. Identified channels for delivering training</li> <li>1-3. Number of trainers trained</li> <li>1-4. Number of trained participants</li> </ol>	<ol style="list-style-type: none"> <li>(1) Training materials</li> <li>(2) Project monitoring sheet</li> <li>(3) Project monitoring sheet</li> <li>(4) Project monitoring sheet</li> </ol>	<ul style="list-style-type: none"> <li>• International Financial Institutions' lines of credit to Tajikistan financial institutions are maintained.</li> </ul>
2. The modality for supporting MSE in preparing business plans is established.	<ol style="list-style-type: none"> <li>2-1. Strengthened human resources (quality and quantity) and established methodologies for supporting MSE in preparing business plans</li> <li>2-2. Number of business plans prepared with support from DBI</li> </ol>	<ol style="list-style-type: none"> <li>(1) Project monitoring sheet (interviews with supported MSE)</li> <li>(2) Project monitoring sheet</li> </ol>	
3. The modality for supporting MSE's access to finance is established.	<ol style="list-style-type: none"> <li>3-1. Number of MOUs signed with financial institutions</li> <li>3-2. Number of business plans shared with financial institutions and investors.</li> </ol>	<ol style="list-style-type: none"> <li>(1) Signed MOUs</li> <li>(2) Project monitoring sheet</li> </ol>	

4. The modality for conducting mentoring of MSE is established.	4-1. Strengthened human resources (quality and quantity) and established methodologies for conducting mentoring of MSE	(1) Project monitoring sheet (interviews with supported MSE)	
5. The modality for collaboration between business incubation and one-stop window is established.	5-1. Number of collaboration cases	(1) Project monitoring sheet	
6. The methodologies for supporting government agencies in streamlining their administrative procedures related to business operations are established.	6-1. Established methodologies for supporting government agencies in streamlining their administrative procedures 6-2. Number of days spent in processing MSE's applications submitted to government agencies	(1) Project monitoring sheet (2) Project monitoring sheet	
7. Networks linking the State Institution "Business Incubator" and similar initiatives in and out of the country are established.	7-1. Number of cases where businesses are supported jointly by DBI and similar initiatives in and out of the country	(1) Project monitoring sheet	
<b>Activities</b>		<b>Inputs</b>	
<p>1-1. Examine the needs of training and business incubation through interviews with relevant actors.</p> <p>1-2. Develop training materials for the training of trainers and participants.</p> <p>1-3. Identify the trainers and channels for delivering training.</p> <p>1-4. Conduct training of trainers.</p> <p>1-5. Conduct the training of entrepreneurs and MSE.</p>		<p><b>Tajikistan Side</b></p> <ol style="list-style-type: none"> <li>1. Assigning of Project Director, Project Coordinator and Project Manager</li> <li>2. Provision of the DBI premises including the office space for JICA Experts</li> <li>3. Assigning DBI's personnel and securing their basic salaries</li> <li>4. DBI's utility costs</li> </ol>	
<p>2-1. Identify and strengthen the human resources (including external resources) who conduct the diagnosis of MSE's operation, specify the needs of support for each MSE, and support MSE in preparing business plans.</p> <p>2-2. Establish methodologies for supporting MSE in preparing business plans while strengthening their capacity.</p> <p>2-3. Support MSE in preparing business plans.</p>		<p><b>Important Assumptions</b></p> <ul style="list-style-type: none"> <li>• Government agencies relevant to businesses agree to assign appropriate human resources to DBI's one-stop window.</li> <li>• The policy on supporting MSE of GoT does not change.</li> </ul>	
<p>3-1. Develop modalities to link up MSE and micro-finance institutions and banks.</p> <p>3-2. Link up MSE and financial institutions and investors.</p>			
<p>4-1. Identify and strengthen the human resources who conduct the mentoring of MSE.</p> <p>4-2. Establish methodologies for conducting the mentoring of MSE.</p> <p>4-3. Conduct the mentoring of MSE.</p>			
<p>5-1. Establish the modality of collaboration between DBI's operation and the personnel assigned to the one-stop window.</p>			

<p>6-1. Through DBI's interactions with MSE as well as with the one-stop window, identify the administrative procedures that are hindering efficient business operations.</p> <p>6-2. Select procedures that can be improved relatively easily and support the relevant government agencies in streamlining such procedures.</p> <p>6-3. Monitor the changes brought into administrative procedures.</p>	<p>development, institution building, training management, access to finance, and improvement of administrative procedures</p>	
<p>7-1. Establish linkages and partnerships with the government and donor agencies / projects promoting businesses (in such fields as technical and vocational education, supply chains of agriculture and agribusiness, investment and export promotion, and business climate), which will lead to the strengthening of the State Institution "Business Incubator".</p> <p>7-2. Invite lecturers from business-related institutions in Japan and third countries and send selected project beneficiaries to Japan and third countries.</p>	<p>2. TOT for Tajikistan trainers and short-term training in third countries or in Japan</p> <p>3. Costs of trainers and mentors for entrepreneurs and MSE</p> <p>4. Part of the renovation costs of the DBI's premises</p> <p>5. Machinery and equipment</p> <p>6.</p>	<p><b><u>Pre-conditions</u></b> An appropriate amount of state budget for establishment and operation of DBI will be approved.</p>



**List of Proposed Members of Joint Coordination Committee for  
Business Incubation Project**

1. Composition

(1) Chairperson

- Deputy Chairperson, SCISPM

(2) Project Team

- Project Director, Deputy Chairperson, SCISPM
- Project Coordinator, Director of the State Institution "Business Incubator"
- Project Manager, Representative of DBI
- JICA Experts

(3) Other members from Tajikistani side

- Head of the Department for Support of Entrepreneurs, SCISPM
- Head of the Unit of Single Window for Investment, SCISPM
- Other persons that Tajikistani side might consider necessary

(4) Other members from Japanese Side

- Chief Representative of JICA Tajikistan Office
- Representative of Embassy of Japan in Tajikistan
- Other persons that Japanese side might consider necessary

## **Annex 3 Project Design Matrix (PDM)**



## **Annex 3.1 PDM ver0**

## Project Design Matrix (PDM 0) (Proposal)

- Project Title: Business Incubation Project in Tajikistan
- Period of Project: from February 2020 to April 2022 (2 years and 3 months)
- Project Site: Entire Country of Tajikistan
- Target Beneficiaries: Potential entrepreneurs, start-ups and micro and small enterprises with a special focus on youth, women and returned migrants

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
<b>Overall Goal</b>			
The State Institution "Business Incubator" is able to provide effective services for the development of entrepreneurs and micro and small enterprises (MSE).	<ol style="list-style-type: none"> <li>1. Number of MSE that increased sales and employment after receiving services by the State Institution "Business Incubator"</li> <li>2. Number of MSE that received financing with support from the State Institution "Business Incubator"</li> </ol>	<ol style="list-style-type: none"> <li>(1) Sample survey</li> <li>(2) Project monitoring sheet</li> </ol>	
<b>Project Purpose</b>			
Dushanbe Business Incubator (DBI) becomes operational with its functions and operating methodologies established.	<ol style="list-style-type: none"> <li>1. Established modalities and methodologies for strengthening the capacity of entrepreneurs and MSE</li> <li>2. Number of business plans financially supported by financial institutions or investors</li> </ol>	<ol style="list-style-type: none"> <li>(1) Project monitoring sheet</li> <li>(2) Project monitoring sheet</li> </ol>	<ul style="list-style-type: none"> <li>• Project phase 2 is approved by both Tajikistan and Japanese governments.</li> </ul>
<b>Outputs</b>			
1. The modality for the delivery of "Basics of Business" training is established.	<ol style="list-style-type: none"> <li>1-1. Training materials in conformity with the identified needs (for training of trainers and for training of participants) that are ready to be used</li> <li>1-2. Identified channels for delivering training</li> <li>1-3. Number of trainers trained</li> <li>1-4. Number of trained participants</li> </ol>	<ol style="list-style-type: none"> <li>(1) Training materials</li> <li>(2) Project monitoring sheet</li> <li>(3) Project monitoring sheet</li> <li>(4) Project monitoring sheet</li> </ol>	<ul style="list-style-type: none"> <li>• International Financial Institutions' lines of credit to Tajikistan financial institutions are maintained.</li> </ul>
2. The modality for supporting MSE in preparing business plans is established.	<ol style="list-style-type: none"> <li>2-1. Strengthened human resources (quality and quantity) and established methodologies for supporting MSE in preparing business plans</li> <li>2-2. Number of business plans prepared with support from DBI</li> </ol>	<ol style="list-style-type: none"> <li>(1) Project monitoring sheet (interviews with supported MSE)</li> <li>(2) Project monitoring sheet</li> </ol>	
3. The modality for supporting MSE's access to finance is established.	<ol style="list-style-type: none"> <li>3-1. Number of MOUs signed with financial institutions</li> <li>3-2. Number of business plans shared with financial institutions and investors.</li> </ol>	<ol style="list-style-type: none"> <li>(1) Signed MOUs</li> <li>(2) Project monitoring sheet</li> </ol>	

4. The modality for conducting mentoring of MSE is established.	4-1. Strengthened human resources (quality and quantity) and established methodologies for conducting mentoring of MSE	(1) Project monitoring sheet (interviews with supported MSE)	
5. The modality for collaboration between business incubation and one-stop window is established.	5-1. Number of collaboration cases	(1) Project monitoring sheet	
6. The methodologies for supporting government agencies in streamlining their administrative procedures related to business operations are established.	6-1. Established methodologies for supporting government agencies in streamlining their administrative procedures	(1) Project monitoring sheet	
	6-2. Number of days spent in processing MSE's applications submitted to government agencies	(2) Project monitoring sheet	
7. Networks linking the State Institution "Business Incubator" and similar initiatives in and out of the country are established.	7-1. Number of cases where businesses are supported jointly by DBI and similar initiatives in and out of the country	(1) Project monitoring sheet	
<b>Activities</b>		<b>Inputs</b>	
1-1. Examine the needs of training and business incubation through interviews with relevant actors. 1-2. Develop training materials for the training of trainers and participants. 1-3. Identify the trainers and channels for delivering training. 1-4. Conduct training of trainers. 1-5. Conduct the training of entrepreneurs and MSE.	2-1. Identify and strengthen the human resources (including external resources) who conduct the diagnosis of MSE's operation, specify the needs of support for each MSE, and support MSE in preparing business plans. 2-2. Establish methodologies for supporting MSE in preparing business plans while strengthening their capacity. 2-3. Support MSE in preparing business plans.	<b>Tajikistan Side</b> 1. Assigning of Project Director, Project Coordinator and Project Manager 2. Provision of the DBI premises including the office space for JICA Experts 3. Assigning DBI's personnel and securing their basic salaries 4. DBI's utility costs	
3-1. Develop modalities to link up MSE and micro-finance institutions and banks. 3-2. Link up MSE and financial institutions and investors.	4-1. Identify and strengthen the human resources who conduct the mentoring of MSE. 4-2. Establish methodologies for conducting the mentoring of MSE. 4-3. Conduct the mentoring of MSE.	<b>Japanese Side</b> 1. Experts (including chief advisor) in the fields including entrepreneurship	
5-1. Establish the modality of collaboration between DBI's operation and the personnel assigned to the one-stop window.			

<p>6-1. Through DBI's interactions with MSE as well as with the one-stop window, identify the administrative procedures that are hindering efficient business operations.</p> <p>6-2. Select procedures that can be improved relatively easily and support the relevant government agencies in streamlining such procedures.</p> <p>6-3. Monitor the changes brought into administrative procedures.</p>	<p>development, institution building, training management, access to finance, and improvement of administrative procedures</p>	
<p>7-1. Establish linkages and partnerships with the government and donor agencies / projects promoting businesses (in such fields as technical and vocational education, supply chains of agriculture and agribusiness, investment and export promotion, and business climate), which will lead to the strengthening of the State Institution "Business Incubator".</p> <p>7-2. Invite lecturers from business-related institutions in Japan and third countries and send selected project beneficiaries to Japan and third countries.</p>	<ol style="list-style-type: none"> <li>2. TOT for Tajikistan trainers and short-term training in third countries or in Japan</li> <li>3. Part of personnel costs of DBI</li> <li>4. Costs of trainers and mentors for entrepreneurs and MSE</li> <li>5. Part of the renovation costs of the DBI's premises</li> <li>6. Machinery and equipment</li> <li>7. Other costs when deemed necessary</li> </ol>	<p><b><u>Pre-conditions</u></b></p> <p>An appropriate amount of state budget for establishment and operation of DBI will be approved.</p>

## **Annex 3.2 PDM ver1**

## Project Design Matrix (PDM 1) (Proposal)

- Project Title: Business Incubation Project in Tajikistan
- Period of Project: from February 2020 to October 2022 (2 years and 9 months)
- Project Site: Entire Country of Tajikistan
- Target Beneficiaries: Potential entrepreneurs, start-ups and micro and small enterprises with a special focus on youth, women and returned migrants

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
<b>Overall Goal</b>			
The State Institution "Business Incubator" is able to provide effective services for the development of entrepreneurs and micro and small enterprises (MSE).	<ol style="list-style-type: none"> <li>1. At least 25 businesses supported through SIBI's incubation services increase revenues by 50% or increase employment.</li> <li>2. At least 50 business plans prepared through SIBI's incubation services are financially supported by financial institutions or investors</li> </ol>	<ol style="list-style-type: none"> <li>(1) SIBI annual report</li> <li>(2) SIBI annual report</li> </ol>	
<b>Project Purpose</b>			
Dushanbe Business Incubator (DBI) becomes operational with its functions and operating methodologies established.	At least 2 business plans prepared through SIBI's incubation services are financially supported by financial institutions or investors	Project monitoring sheet	<ul style="list-style-type: none"> <li>• The policy of GOT to support SME is not changed.</li> </ul>
<b>Outputs</b>			
1. The modality for the delivery of "Basics of Business" training (BoB) is established.	<ol style="list-style-type: none"> <li>1-1. BoB training materials are prepared, tested and adopted by SIBI.</li> <li>1-2. At least 15 trainers are trained.</li> <li>1-3. Procedures to conduct BoB are established through which at least a total of 80 sessions of training are delivered in the target districts (Dushanbe, Kulyab, Rasht, Vahdat, Kanibadam, Huroson, Asht, Hamadoni and Vose).</li> <li>1-4. At least 50 businesses supported by the mini-financing scheme achieve an increase of revenues or employment.</li> </ol>	<ol style="list-style-type: none"> <li>(1) Training materials</li> <li>(2) Project monitoring sheet</li> <li>(3) Project monitoring sheet</li> <li>(4) Project monitoring sheet</li> </ol>	<ul style="list-style-type: none"> <li>• International Financial Institutions' lines of credit to Tajikistan financial institutions are maintained.</li> </ul>
2. The modality for supporting MSE in preparing business plans is established.	<ol style="list-style-type: none"> <li>2-1. At least 20 consultants are contracted to support entrepreneurs in preparing business plans.</li> <li>2-2. At least 10 business plans are prepared with</li> </ol>	<ol style="list-style-type: none"> <li>(1) Project monitoring sheet</li> <li>(2) Project monitoring sheet</li> </ol>	

	support from DBI.		
3. The modality for supporting MSE's access to finance is established.	3-1. At least 5 MOUs are signed with financial institutions. 3-2. At least 10 business plans are shared with financial institutions and investors.	(1) Signed MOUs (2) Project monitoring sheet	
4. The modality for conducting mentoring of MSE is established.	4-1. At least 5 entrepreneurs are mentored.	Project monitoring sheet	
5. The modality for collaboration between business incubation and one-stop window is established.	5-1. At least 3 events are held in collaboration with one-stop window.	Project monitoring sheet	
6. The methodologies for supporting government agencies in streamlining their administrative procedures related to business operations are established.	6-1. At least 2 government procedures are streamlined 6-2. The number of days spent in processing requests submitted by SME to government agencies decreases at least in one procedure.	(1) Project monitoring sheet (2) Project monitoring sheet	
7. Networks linking the State Institution "Business Incubator" and similar initiatives in and out of the country are established.	7-1. At least 2 businesses are supported jointly by DBI and government / donor agencies / projects.	Project monitoring sheet	
8. SIBI/DBI's operational efficiency is secured.	8-1. SOPs and manuals have been prepared for at least 70% of major administrative procedures.	Project monitoring sheet	
<b>Activities</b>		<b>Inputs</b>	
1-1. Examine the needs of training and business incubation through interviews with relevant actors. 1-2. Develop training materials for the training of trainers and participants. 1-3. Identify the trainers and channels for delivering training. 1-4. Conduct training of trainers. 1-5. Conduct the training of entrepreneurs and MSE. 1-6. Implement a mini-financing scheme in Kanibadam and Kulyab districts.		<b>Tajikistan Side</b> 1. Assigning of Project Director, Project Coordinator and Project Manager 2. Provision of the DBI premises including the office space for JICA Experts 3. Assigning DBI's personnel and securing their basic salaries 4. DBI's utility costs	
2-1. Identify and strengthen the human resources (including external resources) who conduct the diagnosis of MSE's operation, specify the needs of support for each MSE, and support MSE in preparing business plans. 2-2. Establish methodologies for supporting MSE in preparing business plans while strengthening their capacity. 2-3. Support MSE in preparing business plans.		<b>Important Assumptions</b> <ul style="list-style-type: none"> <li>Government agencies relevant to businesses agree to assign appropriate human resources to DBI's one-stop window.</li> <li>The policy on supporting MSE of GoT does not change.</li> </ul>	
3-1. Develop modalities to link up MSE and micro-finance institutions and banks. 3-2. Link up MSE and financial institutions and investors.			

<p>4-1. Identify and strengthen the human resources who conduct the mentoring of MSE.  4-2. Establish methodologies for conducting the mentoring of MSE.  4-3. Conduct the mentoring of MSE.</p>	<p><b><u>Japanese Side</u></b></p> <ol style="list-style-type: none"> <li>1. Experts (including chief advisor) in the fields including entrepreneurship development, institution building, training management, access to finance, and improvement of administrative procedures</li> <li>2. TOT for Tajikistan trainers and short-term training in third countries or in Japan</li> <li>3. Costs of trainers and mentors for entrepreneurs and MSE</li> <li>4. Part of the renovation costs of the DBI's premises</li> <li>5. Machinery and equipment</li> </ol>	
<p>5-1. Establish the modality of collaboration between DBI's operation and the personnel assigned to the one-stop window.</p>		<p><b><u>Pre-conditions</u></b></p> <p>An appropriate amount of state budget for establishment and operation of DBI will be approved.</p>
<p>6-1. Through DBI's interactions with MSE as well as with the one-stop window, identify the administrative procedures that are hindering efficient business operations.  6-2. Select procedures that can be improved relatively easily and support the relevant government agencies in streamlining such procedures.  6-3. Monitor the changes brought into administrative procedures.</p>		
<p>7-1. Establish linkages and partnerships with the government and donor agencies / projects promoting businesses (in such fields as technical and vocational education, supply chains of agriculture and agribusiness, investment and export promotion, and business climate), which will lead to the strengthening of the State Institution "Business Incubator".  7-2. Invite lecturers from business-related institutions in Japan and third countries and send selected project beneficiaries to Japan and third countries.</p>		
<p>8-1. Draft standard operating procedures (SOP) and manuals for SIBI's different operations.  8-2. Monitor SIBI's operations and revise the SOP and manuals when necessary.</p>		



## **Annex 3.3 PDM ver2**

## Project Design Matrix (PDM 2) (Proposal)

- Project Title: Business Incubation Project in Tajikistan
- Period of Project: from March 2020 to February 2023 (2 years and 11 months)
- Project Site: Entire Country of Tajikistan
- Target Beneficiaries: Potential entrepreneurs, start-ups and micro and small enterprises with a special focus on youth, women and returned migrants

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumption
<b>Overall Goal</b>			
The State Institution “Business Incubator” is able to provide effective services for the development of entrepreneurs and micro and small enterprises (MSE).	<ol style="list-style-type: none"> <li>1. At least 25 businesses supported through SIBI’s incubation services increase revenues by 50% or increase employment.</li> <li>2. At least 50 business plans prepared through SIBI’s incubation services are financially supported by financial institutions or investors</li> </ol>	<ol style="list-style-type: none"> <li>(1) SIBI annual report</li> <li>(2) SIBI annual report</li> </ol>	
<b>Project Purpose</b>			
Dushanbe Business Incubator (DBI) becomes operational with its functions and operating methodologies established.	At least 2 business plans prepared through SIBI’s incubation services are financially supported by financial institutions or investors	Project monitoring sheet	<ul style="list-style-type: none"> <li>• The policy of GOT to support SME is not changed.</li> </ul>
<b>Outputs</b>			
1. The modality for the delivery of “Basics of Business” training (BoB) is established.	<ol style="list-style-type: none"> <li>1-1. BoB training materials are prepared, tested and adopted by SIBI.</li> <li>1-2. At least 15 trainers are trained.</li> <li>1-3. Procedures to conduct BoB are established through which at least a total of 80 sessions of training are delivered in the target districts (Dushanbe, Kulyab, Rasht, Vahdat, Kanibadam, Huroson, Asht, Hamadoni and Vose).</li> <li>1-4. At least 50 businesses supported by the mini-financing scheme achieve an increase of revenues or employment.</li> <li>1-5. At least 10 business supported by the leasing scheme achieve an increase of revenues or employment.</li> </ol>	<ol style="list-style-type: none"> <li>(1) Training materials</li> <li>(2) Project monitoring sheet</li> <li>(3) Project monitoring sheet</li> <li>(4) Project monitoring sheet</li> <li>(5) Project monitoring sheet</li> </ol>	<ul style="list-style-type: none"> <li>• International Financial Institutions’ lines of credit to Tajikistan financial institutions are maintained.</li> </ul>

2. The modality for supporting MSE in preparing business plans is established.	2-1. At least 20 consultants signed an MOU for supporting entrepreneurs in preparing business plans. 2-2. At least 10 business plans are prepared with support from DBI.	(1) Project monitoring sheet (2) Project monitoring sheet	
3. The modality for supporting MSE's access to finance is established.	3-1. At least 5 MOUs are signed with financial institutions. 3-2. At least 10 business plans are shared with financial institutions and investors.	(1) Signed MOUs (2) Project monitoring sheet	
4. The modality for conducting mentoring of MSE is established.	4-1. At least 5 entrepreneurs are mentored.	Project monitoring sheet	
5. The modality for collaboration between business incubation and one-stop window is established.	5-1. At least 3 events are held in collaboration with one-stop window.	Project monitoring sheet	
6. The methodologies for supporting government agencies in streamlining their administrative procedures related to business operations are established.	6-1. At least 2 government procedures are streamlined 6-2. The number of days spent in processing requests submitted by SME to government agencies decreases at least in one procedure.	(1) Project monitoring sheet (2) Project monitoring sheet	
7. Networks linking the State Institution "Business Incubator" and similar initiatives in and out of the country are established.	7-1. At least 2 businesses are supported jointly by DBI and government / donor agencies / projects.	Project monitoring sheet	
8. SIBI/DBI's operational efficiency is secured.	8-1. SOPs and manuals have been prepared for at least 70% of major administrative procedures.	Project monitoring sheet	
<b>Activities</b>		<b>Inputs</b>	
1-1. Examine the needs of training and business incubation through interviews with relevant actors. 1-2. Develop training materials for the training of trainers and participants. 1-3. Identify the trainers and channels for delivering training. 1-4. Conduct training of trainers. 1-5. Conduct the training of entrepreneurs and MSE. 1-6. Implement a mini-financing scheme in Kanibadam, Asht and Kulyab districts. 1-7. Implement a leasing scheme nationwide with priority given to target areas.		<u><b>Tajikistan Side</b></u> 1. Assigning of Project Director, Project Coordinator and Project Manager 2. Provision of the DBI premises including the office space for JICA Experts	<u><b>Important Assumptions</b></u> <ul style="list-style-type: none"> <li>Government agencies relevant to businesses agree to assign appropriate human resources to DBI's one-stop window.</li> </ul>
2-1. Identify and strengthen the human resources (including external resources) who conduct the diagnosis of MSE's operation, specify the needs of support for each MSE, and support MSE in preparing business plans.			

<p>2-2. Establish methodologies for supporting MSE in preparing business plans while strengthening their capacity.</p> <p>2-3. Support MSE in preparing business plans.</p>	<p>3. Assigning DBI's personnel and securing their basic salaries</p>	<ul style="list-style-type: none"> <li>The policy on supporting MSE of GoT does not change.</li> </ul>
<p>3-1. Develop modalities to link up MSE and micro-finance institutions and banks.</p> <p>3-2. Link up MSE and financial institutions and investors.</p>	<p>4. DBI's utility costs</p>	
<p>4-1. Identify and strengthen the human resources who conduct the mentoring of MSE.</p> <p>4-2. Establish methodologies for conducting the mentoring of MSE.</p> <p>4-3. Conduct the mentoring of MSE.</p>	<p><b><u>Japanese Side</u></b></p> <p>1. Experts (including chief advisor) in the fields including entrepreneurship development, institution building, training management, access to finance, and improvement of administrative procedures</p> <p>2. TOT for Tajikistan trainers and short-term training in third countries or in Japan</p>	<p><b><u>Pre-conditions</u></b></p> <p>An appropriate amount of state budget for establishment and operation of DBI will be approved.</p>
<p>5-1. Establish the modality of collaboration between DBI's operation and the personnel assigned to the one-stop window.</p>		
<p>6-1. Through DBI's interactions with MSE as well as with the one-stop window, identify the administrative procedures that are hindering efficient business operations.</p> <p>6-2. Select procedures that can be improved relatively easily and support the relevant government agencies in streamlining such procedures.</p> <p>6-3. Monitor the changes brought into administrative procedures.</p>	<p>4. Part of the renovation costs of the DBI's premises</p>	
<p>7-1. Establish linkages and partnerships with the government and donor agencies / projects promoting businesses (in such fields as technical and vocational education, supply chains of agriculture and agribusiness, investment and export promotion, and business climate), which will lead to the strengthening of the State Institution "Business Incubator".</p> <p>7-2. Invite lecturers from business-related institutions in Japan and third countries and send selected project beneficiaries to Japan and third countries.</p>	<p>5. Machinery and equipment</p>	
<p>8-1. Draft standard operating procedures (SOP) and manuals for SIBI's different operations.</p> <p>8-2. Monitor SIBI's operations and revise the SOP and manuals when necessary.</p>		

## **Annex 4 Plan of Operation ver4**

Plan of Operation

Version 4

Dated 16 Aug 2022

Project Title: Business Incubation Project in Tajikistan

																	Monitoring			
Inputs	Year	2020				2021				2022				2023	Remarks	Issue	Solution			
		II	III	IV	I	II	III	IV	I	II	III	IV	I							
<b>Expert</b>																				
Chief Advisor / Entrepreneurship Development / Administrative Process Management	Plan																			
Training Management / Entrepreneurship Development /Institution Building (1)	Actual																			
Training Management / Entrepreneurship Development /Institution Building (2)	Plan																			
Training Management / Entrepreneurship Development /Institution Building (3)	Actual																			
Access to Finance	Plan																			
	Actual																			
Impact Analysis	Plan																			
	Actual																			
<b>Equipment</b>																				
Office equipment and materials	Plan																			
	Actual																			
Equipment and materials for mini-financing scheme	Plan																			
	Actual																			
Equipment for leasing scheme	Plan																			
	Actual																			
<b>Training in Japan</b>																				
Training for Counterpart Personnel	Plan																		It is expected that the training will be conducted in either October or November 2022.	
	Actual																			
<b>In-country/Third country Training</b>																				
Camp in Uzbekistan	Plan																			
	Actual																			
<b>Activities</b>																				
Sub-Activities	Year	2020				2021				2022				2023	Responsible Organization		Achievements	Issue & Countermeasures		
		II	III	IV	I	II	III	IV	I	II	III	IV	I	Japan	Tajikistan					
<b>Output 1: The modality for the delivery of "Basics of Business" training is established</b>																				
1.1 Examine the needs of training and business incubation through interviews with relevant actors	Plan																	JICA	SIBI	Training needs were identified
	Actual																			
1.2 Develop training materials for the training of trainers and participants	Plan																	JICA	SIBI	BIP prepared video tutorial materials composed of 9 modules for individual entrepreneurs.
	Actual																			
1.3 Identify the trainers and channels for delivering training	Plan																	JICA	SIBI	Trainers were identified, including SIBI staff.
	Actual																			
1.4 Conduct training of trainers	Plan																	JICA	SIBI	A total of 35 trainers have been trained through ToT
	Actual																			
1.5 Conduct the training of entrepreneurs and MSE	Plan																	JICA	SIBI	A total of 587 entrepreneurs have been trained through 57 BoB training sessions.
	Actual																			
1.6 Implement a mini-financing scheme in Kanibadam and Kulyab districts	Plan																	JICA	SIBI	A total of 234 sub-projects are being implemented.
	Actual																			
1.7 Implement a leasing scheme	Plan																	JICA	SIBI	A total of 6 beneficiaries were selected and the lease equipment was handed over to the beneficiaries (5 tractors and 1 mini-tractor)
	Actual																			

Output 2: The modality for supporting MSE in preparing business plans is established													
2.1 Identify and strengthen the human resources (including external resources) who conduct the diagnosis of MSE's operation, specify the needs of support for each MSE, and support MSE in preparing business plans	Plan									JICA	SIBI	BIP has signed MOU with a total of 71 consultants	
	Actual												
2.2 Establish methodologies for supporting MSE in preparing business plans while strengthening their capacity	Plan									JICA	SIBI	The guidelines for Incubation Services (consulting services) have been prepared.	
	Actual												
2.3 Support MSE in preparing business plans	Plan									JICA	SIBI	A total of 10 entrepreneurs were provided with consulting services for the preparation of business plans.	
	Actual												
Output 3: The modality for supporting MSE's access to finance is established													
3.1 Develop modalities to link up MSE and micro-finance institutions and banks.	Plan									JICA	SIBI	Five MOUs have been signed by financial institutions.	
	Actual												
3.2 Link up MSE and financial institutions and investors	Plan									JICA	SIBI	BIP discussed with Arvand how to collaborate in general and with Khumo details on referrals of its clients to BIP.	
	Actual												
Output 4: The modality for conducting mentoring of MSE is established													
4.1 Identify and strengthen the human resources who conduct the mentoring of MSE	Plan									JICA	SIBI	A total of 71 prospective mentors have been identified, with whom MOUs have been signed.	
	Actual												
4.2 Establish the methodologies for conducting the mentoring of MSE	Plan									JICA	SIBI	The guidelines for Incubation Services (mentoring services) have been prepared.	
	Actual												
4.3 Conduct the mentoring of MSE	Plan									JICA	SIBI	7 entrepreneurs have been mentored.	
	Actual												
Output 5: The modality for collaboration between business incubation and one-stop window is													
5.1 Establish the modality of collaboration between DBI's operation and the personnel assigned to the one-stop window.	Plan									JICA	SIBI	Two consultants (one legal consultant and one financial/tax consultant) were hired and started providing advice to the visitors to the Advisory Center	
	Actual												
Output 6: The methodologies for supporting government agencies in streamlining their administrative													
6.1 Through DBI's interactions with MSE as well as with the one-stop window, identify the administrative procedures that are hindering efficient business operations	Plan									JICA	SIBI	Two issues have been identified to be tackled: (1) legal addresses for certificate holders and (2) online platform (mobile application and terminals) for tax payment for individual entrepreneurs.	
	Actual												
6.2 Select procedures that can be improved relatively easily and support the relevant government agencies in Dushanbe in streamlining such procedures	Plan									JICA	SIBI, SCISPM	(1) BIP has identified an on-going practice that resolves the legal address issue. (2) Online platform for tax payment for individual entrepreneurs has been developed and thus ready to be tested.	(2) The data exchange agreement among the Tax Committee (TC), SUE Development and Tax Administration Center (DAC) and International Bank of Tajikistan (IBT) has yet to be signed.
	Actual												
6.3 Monitor the changes brought into administrative procedures	Plan									JICA	SIBI, SCISPM		
	Actual												

Output 7: Linkages and partnerships with relevant government and donor agencies / projects are																	
7.1 Establish linkages and partnerships with the government and donor agencies / projects promoting businesses (in such fields as technical and vocational education, supply chains of agriculture and agribusiness, investment and export promotion, and business climate), which will lead to the strengthening of the State Institution "Business Incubator"	Plan													JICA	SIBI, SCISPM	MOUs have been signed with PEAK, AgaKhan Foundation, and GIZ (TRIGGER). BIP has been conducting incubation services (consulting services and mentoring services) to the clients referred by PEAK.	
	Actual																
7.2 Invite lecturers from business-related institutions in Japan and third countries and send selected project beneficiaries to Japan and third countries	Plan													JICA	SIBI	BIP convened a seminar on "Fundraising for start-ups" with an external speaker (around 20 young people attended the seminar)	
	Actual																
Output 8: SIBI/DBI's operational efficiency is secured.																	
8.1 Draft standard operating procedures (SOP) and manuals for SIBI's different operations.	Plan													JICA	SIBI	SOPs were prepared and submitted to SIBI.	
	Actual																
8.2 Monitor SIBI's operations and revise the SOP and manuals when necessary	Plan													JICA	SIBI		
	Actual																
Duration / Phasing	Plan																
	Actual																
Monitoring Plan	Year	2020			2021				2022				2023	Remarks	Issue	Solution	
		II	III	IV	I	II	III	IV	I	II	III	IV	I				
Monitoring																	
Joint Coordination Committee	Plan			●		●		●		●		●					
	Actual					●				●			●				
Submission of Monitoring Sheet	Plan			▲		▲		▲		▲		▲					
	Actual			▲		▲		▲		▲		▲					
Reports/Documents																	
Work Plan	Plan	▲															
	Actual	▲															
Training Materials	Plan	▲		▲													
	Actual	▲		▲													
Project Completion Report	Plan									▲							
	Actual												▲				
Public Relations																	
Establishment and Operation of Facebook page	Plan	▲															
	Actual	▲															



## **Annex 5 Profile of Target Districts**

District	Economy	Roads and Transport	Potential
<b>ASHT</b>	<p>Asht is the most northern district of Tajikistan. It is located in Fergana valley and borders Tashkent and Namagan regions of Uzbekistan.</p> <p>The district consists of 8 rural jamoats<sup>1</sup> (Pongoz, Kamishkurgon, Shodoba, Oshoba, Kirkkuduk, Charbulok, Asht, Punuk) and Shaydon settlement (capital of Asht district). Population is mainly Tajiks (77%) and Uzbeks (21%).</p> <p>Due to climatic conditions and terrain pattern the main agricultural industries in Asht are cotton production, apricot growing and cattle breeding. Such crops as wheat, barley, potato, corn are also widely grown. There are around 11 thousand hectares of arable land, including 5163 ha under cotton, 852 ha under wheat, and 2720 ha are allocated for cattle forage.</p> <p>Besides, there are 1638 ha of fruit gardens dominated by apricot, but apple, wall nut, peach, grape, cherry and plum are also cropped. Fresh and dried fruits are supplied either to Hujand markets or exported to Russia and Kazakhstan.</p> <p>93% of arable land is irrigated by pump stations which take water from Syrdarya river (Northern Fergana Chanel).</p> <p>Livestock is an important subsector of agriculture, the</p>	<p>There is only one 108 km asphalted road connecting Hujand city (capital of Sugd region) with Shaydon settlement but it is in very obsolete condition. The road goes through dry steppe and none of any fuel stations, hotels or communal facilities are observed along the road.</p> <p>“Public” transportation is represented by private vans with the capacity of 15-18 people and small old cars (sedans) without a fixed work time schedule.</p> <p>There is also a paved road from Asht district to Namangan region of Uzbekistan. The closest airport is in Buston city (130 km from Shaydon) and the closest railway is Rapkon station located 35 km from Shaydon.</p>	<p>The district produces a relatively large volume of agricultural products that could be processed locally. For example, in average 15-16 thousand tons of grapes are produced annually in Asht, which, due to the lack of processing opportunities, has to be sold fresh in the local market at low prices. In addition, there are opportunities on the basis of cotton processing enterprises to create workshops for the primary and secondary processing of raw materials and the production of the final product.</p> <p>There is also a great opportunity to create enterprises for leather and wool processing.</p> <p>Such activities as brick/roof tiles manufacture, construction, vehicle repair, beauty salons, bakery might generate the employment opportunities for Asht population.</p> <p>The district is very famous for blacksmithing, so there is a potential for manufacturing touristic souvenirs like knives and metallic gifts.</p>

<sup>1</sup> The jamoats of Tajikistan are the third-level administrative divisions, similar to communes or municipalities, in the Central Asian country of Tajikistan. As of January 2020, there are 368 rural jamoats, 65 towns and 18 cities in Tajikistan. Each jamoat is further subdivided into villages (or deha or kishlok).

	<p>development of which is favored by the presence of pastures in Asht district. For most private households, the sale of cattle, goats and sheep is the main source of subsistence income. The weight of animal husbandry in the total volume of agricultural production is about 54%, with dominating by goats and sheep (more than 180 thousand heads).</p> <p>The district is rich in natural resources: polymetallic mines (silver, copper, fluorite, tin, zinc), construction raw materials, marble and granite.</p> <p>Manufacturing enterprises include Asht cannery and bakery, “Namaki Asht” LLC (salt plant), Fishery farm “Rakshona”, some construction industry enterprises and agricultural cold storages.</p>		<p>There is also a recreation facility on the bank of Aksukon lake (aka “Tajik Dead Sea”) widely known by its salty waters and mud used for medical treatment. Hence, some niche for the related services could be explored.</p>
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District	Economy	Infrastructure	Potential
<b>HAMA DONI</b>	<p>Hamadoni district is located in the southeast of Khatlon region, on the shore of the Pyanj River. The district borders the Islamic Republic of Afghanistan (170 km) on the south.</p> <p>Hamadoni district consists of 8 jamoats: Moscow (the district center), Kakhramon, Mekhnatobod, Dashtigulo, Kalinin, Turdiev, Panjob, and Chubek.</p> <p>Agriculture is the primary economic sector, providing employment to more than 55% of the district's working population. The main crops are cereals, cotton, forage plants, horticulture products, grape, and vegetables.</p> <p>Animal husbandry is also an important subsector. Hamadoni area has favorable conditions for development of animal husbandry and organization of a fodder base for animals, since 55 percent of the total agricultural land is used as pasture. In Hamadoni 31,991 heads of large cattle were registered, the bulk of which (89.4 percent) belongs to the population.</p> <ul style="list-style-type: none"> <li>• Cow heads - 20,210</li> <li>• Small cattle (goats and sheep) heads - 53,777</li> <li>• Horse heads - 897</li> <li>• Domestic fowl - 48,012</li> </ul> <p>The socio-economic indicators of the district are the following (as of 2020):</p>	<p>The distance from the district to Dushanbe is 207.2 km.</p> <p>Road: The total length of the roads on the territory of the district is 209.8 km (international roads-13 km, national roads-13.1 km, and the local roads-183.7 km), and the majority of the roads (appr. 150 km<sup>2</sup>), of which) are in bad conditions and needs to be repaired.</p> <p>Transport: The nearest train station is located at a distance of 30 km from the district center. Share-taxis minibuses are the only public intercity transport in Hamadoni. No internal transport except private negotiable taxis. No schedules for public transport.</p> <p>Electricity supply: The power supply system in Hamadoni was constructed in 1966, it is served by 3 substations with voltage 35/10 kVA ("Hamadoni", "Gulzor", "Tagnob"). Total length of power lines: 10 kV - 280 km and 0.4 kV - 580 km.</p> <p>In wintertime, electricity blackouts are quite common; power is supplied 3-4 hours in the morning and 3-4 hours in the evening.</p> <p>ICT services: In terms of communication, mainly mobile networks, operated by "Babylon-M", "Megafon", "TCell" and "ZET-mobile", are in use.</p>	<p>Hamadoni is rich in natural resources such as salt and limestone. The most significant deposit is the Mt. Khoja Mumin, with a reserve of 40 to 50 billion tons of rock salt.</p> <p>The salt deposit of the Mt. Khoja Mumin is formed by high-quality white, green-blue, or purple-tinted rock salt. Processing and marketing the salt will contribute to not only the development of local businesses.<sup>3</sup> Proper processing technology and product development may create an opportunity for exporting the local salt.</p> <p>Identified limestone deposits are located around the Mt. Khoja Mumin. Limestone exploitation and cement production can also be considered as a potential business in the district.</p>

<sup>2</sup> Roads paved with asphalt-32 km and the rest are asphalt-concrete roads.

<sup>3</sup> Currently (as of Dec 2020), five enterprises have been processing the salt officially based on the permits by the local authority. Many others operate unofficially.

1	Population	14,596	<p>Main home and office internet providers are “Tojnet” and “Babylon-T”.</p> <p>In Hamadoni 98.2% of the population has access to TV channels like “Shabakai Avval”, “Safina”, “Bahoriston”, “Jahonnamo”, “TV-Khatlon” and “RTR-Planeta”. Such radio waves as “Tojikiston”, “Ozodi” and “Imruz” are broadcasted.</p> <p>Water supply and sewerage system: Drinking water supply in Hamadoni is quite well, within JICA Grant Aid Project 2008-2013 almost all water supply system in district center (Moskva town) was rehabilitated; in two more villages of Hamadoni (Navobod and Gulobod) new systems were constructed. During the summertime, due to high demand of population and insufficient capacity of the utility, water is supplied on hourly basis. There is no operable sewage system in the district.</p>
2	Households	18,687	
3	SMEs (Dehkan excluded)	1,179	
	SMEs by sectors:		
	Trade	581	
	Transportation	80	
	Service	196	
	Other		
4	Number of total farms	6,074	
	(Farms managed by women)	(521)	
	Farms by types:		
	Dehkan farms	4,047	
	Individual farms	1,580	
	Collective dehkan farms	28	
	Production cooperatives	419	
5	Land (territory), ha	50,979	
6	Agricultural land*, ha	34,392	
	Irrigated fields, ha	13,210	
	Rainfed fields, ha	21,182	
7	Agricultural land rented**, ha	19,365	
<p>* Most of the farming land is mainly used to produce cereals, cotton, and forage plants.</p> <p>** The land of Shuraabad and Farkhor districts. The majority of the rented land is pastures.</p>			

District	Economy	Roads and Transport	Potential
<b>KANI-BADAM</b>	<p>Kanibadam (Konibodom) is a city in Sugd region of Tajikistan which borders Batken region of Kyrgyzstan and Namangan/Fergana regions of Uzbekistan. Kanibadam’s territory includes Kanibadam city itself and 6 jamoats: Hamrabaev, Lohuti, Ortikovm Patar, Pulatan, Sharipov.</p> <p>The population is mainly Tajiks (over 65 70%) but there are also many Uzbeks and Kyrgizs.</p> <p>Due to climatic conditions and location near Big Fergana irrigation channel, agriculture is the main economic sector of Kanibadam. Main agricultural industries are cotton production, growing and processing of fruits (apricot, apple, grape) and livestock. There are around 24 thousand hectares of arable land, including over 9 thousand ha of gardens (dominated by apricots). Fresh and dried fruits are supplied either to Hujand markets or exported to Russia and Kazakhstan.</p> <p>Approximately 6,5 thousand hectares of Kanibadam’s territory are pastures, with the population actively engaged in cattle and sheep breeding.</p> <p>Manufacturing enterprises include a cannery and fruit drying facility LLC “Mevai Kand”, a vegetable oil refinery, several cotton gins, auto parts plant, spinning mills and a textile plant, and a cruel oil refinery.</p>	<p>There is a moderate paved road from Hujand to Kanibadam (100 km) which then goes to Isfara and further to Kyrgyzstan. The road has many fuel stations (mostly owned by Kyrgyzs).</p> <p>“Public” transportation is represented by private vans with the capacity of 15 - 18 people and small sedans without a fixed work time schedule.</p> <p>The closest airports are in Batken city, KG (28 km), Buston city, TJ (39 km) and Tashkent city, UZ (90 km). The closest railway station “Kanibadam” is only 6 km away from Kanibadam city. There are two international border posts (with Uzbekistan and Kyrgyzstan).</p>	<p>The district has a lot of farmer-owned apricot gardens; establishment of small-scale drying facilities is a promising income generation activity. As cotton is grown widely in Kanibadam and processed into thread/yarn by local gins, sewing skill and machines are in high demand among rural women.</p> <p>As Kanibadam neighbors Laylak district of Kyrgyzstan (a 10-meter width freely accessible road acts as their border of these 2 districts), there are many opportunities in service sector (e.g. beauty salons, vehicle repair, road groceries) for rural population.</p> <p>Due to mild climatic conditions, beekeeping and greenhouse construction are on rise in Kanibadam during the last 3 - 4 years.</p> <p>Since Kanibadam borders Kayrokkum reservoir (aka “Tajik Sea”), there are good opportunities for tourism development (both domestic and foreign tourists), as well as niche for handicrafts/souvenirs.</p>

District	Economy	Roads and Transport	Potential
<b>KHUR OSON</b>	<p>Area of Khuroson district is 900 km<sup>2</sup>. It is divided into 5 Jamoats (Ayni, Fakhrobod, Hiloli, Qizilqal'a and Ghallaobod) and Obikiik town.</p> <p>Total estimated population of Khuroson district as of January 2020 is 116,500. The main sources of income in Khuroson are agriculture and labor migration. Total cultivated area is 15,808 ha. These lands are mainly occupied by cereal crops, cotton, vegetables and fruit gardens/vineyards.</p> <p>Animal husbandry is also very common due to huge pasturelands. Small cattle represent majority of the livestock. Most part of the land is rain-fed, with some areas irrigated by pump stations.</p> <p>Khuroson districts is rich in natural resources like limestone, gypsum and clay, which are not mined to a full extent.</p> <p>Large-scale entities include a cotton gin plant and a dairy farm Saodat LLC (one of the biggest dairy factories in Tajikistan). There are also small dairy factories, poultry farms and cold storages.</p> <p>The severest problem at the district level is total absence of drinking water supply and sewage system. Most of households collect rainwater or buy water from water trucks for drinking purposes.</p>	<p>Khuroson is transected by Dushanbe - Bokhtar highway. It is located almost in the middle of those two cities (40 km south of Dushanbe).</p> <p>A brand new, partially mountain four-lane road connects Dushanbe and Khuroson.</p> <p>Since Khuroson is located between two big cities, there is heavy traffic in Obikiik town, Khuroson's capital.</p> <p>From public transportation, there are minibuses and small old cars with no fixed working schedule.</p>	<p>Agricultural products annually produced in Khuroson (average):</p> <ul style="list-style-type: none"> <li>• Grape: 6.5 - 7 thousand tons.</li> <li>• Other fruits: 7 - 8 thousand tons.</li> <li>• Cereal crops: 40 - 42 thousand tons.</li> <li>• Cotton: 8.5 - 9 thousand tons.</li> <li>• Potato: 8.5 - 9 thousand tons.</li> <li>• Other vegetables: 32 - 33 thousand tons.</li> <li>• Milk: 17 - 18 thousand tons.</li> </ul> <p>Given the above figures there are good opportunities to create workshops and facilities for processing and production of value added products.</p> <p>Moreover, having in mind the increasing construction tendency in the country, mining of gypsum, clay and limestone deposits can be promoted. Clay mining can serve as a base for launching the production of baked bricks, which are highly demanded at construction market.</p> <p>Another fact that deserves an attention is that mushrooms hunting in Khuroson is very famous in Tajikistan; when it is season, people from other cities and towns tend to visit Khuroson especially for its mushrooms. This trend gives an excellent opportunity of mushroom farming.</p> <p>Small production of bottled purified drinking water should also be considered due to absence of centralized water supply system.</p>

District	Economy	Infrastructure	Potential
KULYAB	<p>Kulyab is located 203 km southeast of Dushanbe, and it is the central district of Khatlon region. The total area of the district is 272.9 km<sup>2</sup>.</p> <p>The district consists of Kulyab city (the district center) and three rural jamoats: Dahana, Zarbdor, and Ziraki. The total population of the district is 217,900 (31,000 households) as of 2020, and the majority is formed by Tajiks and Uzbeks.</p> <p>Kulyab district is classified into the 3rd category of the hydro modular region<sup>4</sup> in which the groundwater level is located at a depth of 1.3-2.0 m. The main waterway is the Yakhsu River, a tributary of the Pyanj River.</p> <p>Agriculture plays an important role in Kulyab's economy, after the trade sector (In 2018, Kulyab's agricultural production was TJS 439.7 million while its commodities turnover was TJS 597.3 million). Main crops are cotton, cereals (wheat, barley), potato, and vegetables. Fruit gardens and viticulture are also common in the district. Most of these crops are cultivated on irrigated farms. The total agricultural area is 10,030 ha. (the total irrigated area is 8,350 ha). Animal husbandry (breeding of cattle and small</p>	<p><u>Road and Transport:</u></p> <p>Kulyab is connected with Dushanbe and Bokhtar through a highway. There is a railroad linking Kulyab and Bokhtar, but it does not function as an intercity public transport. The city has an international airport which operates flights from/to Moscow. The railway also operates a train service that connects Kulyab and Moscow.</p> <p>Internal and intercity public transport is represented by private share-taxis and minibuses. "Rakhsh Taxi" taxi service is also available. Also, "Asian Express" transportation company provides buses for intercity trips with a fixed schedule.</p> <p><u>Electricity supply:</u></p> <p>Technical information on power supply in Kulyab is not available. Electricity blackouts for population in wintertime are quite common. No official power limitation schedule is available.</p> <p>ICT services: The main means of communication are mobile networks, operated by "Babilon-M", "Megafon", "TCell" and "ZET-mobile". Main home</p>	<p>Due to its location near the Pamirs and numerous pilgrimage sites existing in its territory, Kulyab receives many tourists. Since Kulyab is famous for its folk craft "Chakan" and "Gulduzi" embroidery, making these souvenirs targeting tourists can be profitable.</p> <p>Despite the increasing number of hotels and hotel complexes, hotel service has still been one of the most demanded services. Since the hotel service quality has been low, business training for hotel owners is also required.</p> <p>The people of Kulyab have long been known for their traditional sericulture skills. Although silkworm breeding is being conducted to a limited extent, many local people maintain traditional sericulture skills.<sup>5</sup> Sericulture farming is one of the potential businesses.</p> <p>"Tanobchi-Kyzylsu," a mud-cure resort area located in the district, is well-known for its curative mud. The healing clay and the mineral water<sup>6</sup> of the lakes in Tanobchi-Kyzylsu are used for healthcare purposes; operating health</p>

<sup>4</sup> Hydro-modular region is a part of the soil-reclamation region, characterized by similar indicators of the thickness of the soil cover, mechanical composition, structure and composition of the soil in the aeration zone, water-physical properties, groundwater level, which generally determine the amount and regime of irrigation.

<sup>5</sup> The central government is planning to implement a four-year program aimed at the development of the silkworm industries and processing of silkworm cocoons in the Republic of Tajikistan from 2020. <sup>6</sup> The daily consumable amount (water) is 993 m<sup>3</sup>. The water is rich in sodium chloride. The trace elements are sulfuric acid and potassium carbonate.



	<p>ruminants) is an important income source for rural households.</p> <p>The numbers of entities and entrepreneurs in Kulyab district are the following:</p> <ul style="list-style-type: none"> <li>• Legal entities-771</li> <li>• Individual entrepreneurs-3,161 (patents-2,466 and certificates-695)</li> <li>• Home-based business -5,929</li> <li>• Farmers (Agricultural entrepreneurs) -1,997.</li> </ul>	<p>and office internet providers are “Tojnet”, “Babylon-T” and “Telecom Technology”. Population in Kulyab has free access to TV channels like “Shabakai Avval”, “Safina”, “Bahoriston”, “Jahonnamo”, “TV-Khatlon” and “RTR-Planeta”. Such radio waves as “Tojikiston”, “Ozodi” and “Imruz” are broadcasted.</p> <p><u>Water supply and sewerage system:</u></p> <p>Water supply and sewerage systems are operated by the branch of State Unitary Enterprise “Khojagii Manziliyu Kommunali” (Housing and Communal Services). Considering the increase of number of population and buildings/facilities, the total capacity of existing systems is not sufficient. Water is supplied on hourly basis (no official figures at free access on coverage ratio found).</p>	<p>resorts/establishments in the area can be another type of potential business.</p> <p>There is a huge natural and human potential for businesses such as brick / tile production, construction, car repairs, beauty salons, and bakery.</p>
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District	Economy	Infrastructure	Potential
<p><b>VAHDAT</b></p>	<p>Vahdat is located in the Gissar Valley on the Kafirnigan River, at the mouth of the Romit Gorge.</p> <p>It is bordered on the north by Ayni district of the Sughd region; on the west by Rasht, Nurobod, Rogun and Fayzabad regions; on the east by the Rudaki district, which is a part of the Regions of Republican Subordination, on the south by Nurek and Yavan districts of the Khatlon region.</p> <p>Vakhdat district includes the city of Vakhdat (the urban settlement Numan Rozik) and ten rural communities (jamoats): Abdullo Abduvosiev, Bahor, Bozorboy Burunov, Dusti, Guliston, Rajab Ismoilov, Romit, Simiganj, Chorsu, Chuyangaron.</p> <p>The district population is approximately 42,800 as of 2019. The primary economic sector is agriculture. Vahdat is one of the main districts that supply Dushanbe with fresh vegetables and fruits. The total number of farms in the Vahdat district is 8,025. The field cultivation in 2020 was the following: cereals - 8,334 ha, potatoes - 1,150 ha, vegetables - 3,600 ha, and cotton - 500 ha.</p> <p>The manufacturing sector consists of the following types of plants and factories:</p> <ul style="list-style-type: none"> <li>• Cotton gins</li> <li>• Expanded clay processing factories</li> <li>• Automobile repair shops</li> <li>• Metal product manufacturers</li> <li>• Brick factories</li> </ul>	<p><u>Road and transport:</u></p> <p>The distance from Dushanbe to the city of Vahdat is 21 km. The main road connecting the Dushanbe, DRS and Khatlon region runs through the town.</p> <p>Share-taxis are the only means of passenger transportation between Dushanbe and Vahdat. With fixed rates not available, taxi fares are decided based on the negotiation between passengers and taxi drivers. No fixed schedules are available; share-taxis set off when the vehicles become full of passengers.</p> <p><u>Electricity supply:</u></p> <p>Technical information on power supply in Vahdat is not available. Electricity blackouts for rural population in wintertime are quite common. No official power limitation schedule is available.</p> <p><u>ICT services:</u></p> <p>The main means of communication are mobile networks, operated by "Babilon-M", "Megafon", "TCell" and "ZET-mobile". Main home and office internet providers are "Tojnet", "Telecom Technology" and "Babilon-T". All national TV channels, including cable TV is available.</p>	<p>There are many tourist spots in the district. The most famous places are the Romit Gorge and the Ramit Reserver. The former is known for its healing springs, protected forests, and turbulent mountain rivers, while the latter for its unique mountain flora and various species of birds and animals. The environs of Vahdat city is of interest primarily for those who like hiking in the mountains. Through the center of the district flows the river Kafarnigan (northeast to southwest), where fish and various types of flora and fauna live.</p> <p>Vahdat has considerable potential for mining and the fisheries industry (Some of the Vahdat's big fish farms are "Aqua Pors," "Ribkhoz," and "Farel"). Vahdat is rich in natural resources. One of its significant mineral deposits is the Pakrud gold deposit (the estimated reserve is 116.8 tons).</p> <p>Another potential industry can be small-scale factories of construction materials such as burnt bricks, cement, and gravel.</p> <p>In the very center of Vahdat, tall buildings are being erected, providing room opportunities to the service providers such as hairdressers, beauty salons, retail outlets, sewing workshops,</p>

	<ul style="list-style-type: none"> <li>• Construction companies and construction material producing plants</li> <li>• Mill</li> <li>• Furniture factories</li> <li>• Poultry farms</li> <li>• Sericulture farms</li> <li>• Fish farms</li> </ul>	<p><u>Water supply and sewage system:</u></p> <p>Sewage and water supply systems are operated by the branch of State Unitary Enterprise “Khojagii Manziliyu Kommunal” (Housing and Communal Services) (No official figures at free access on coverage ratio were found)</p>	<p>language centers, and repair and maintenance workshops.</p>
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District	Economy	Infrastructure	Potential
VOSE	<p>Vose is one of the oldest districts in Khatlon region. The territory is 3,630.9 km<sup>2</sup>.</p> <p>Vose district is formed by Hulbuk (the district's capital) and seven rural jamoats - Aral, Mehnatabad, Gulistan, Michurin, Pakhtaabad, Pakhtakor, and Tugarak.</p> <p>With its socio-economic development policy, the district plans to increase the agricultural and industrial production volumes. The policy emphasizes the importance of support to start-up businesses and restoration of old factories. The traditional occupation of the population of the Vose district is agriculture, folk craft and small trade.</p> <p>It has local brewery. Since Vose, shares the salt mountain with Hamadoni, salt mining is practiced.</p> <p>With approximately 80 thousand farmlands operating in the district, the agricultural sector plays a crucial role in Vose's economy. 25% of the farmlands are irrigated; the agriculture in Vose is considered to be more intensive than other districts in the region. The main agricultural products are cotton and grain crops.</p> <p>The manufacturing sector is mostly formed by enterprises engaged in the brewery, salt production as well as small trades.</p>	<p><u>Road and transport:</u></p> <p>Distance from Dushanbe to Vose is 173.6 km. The nearest railway station is Aral, located at a distance of 18 km to the south-west of Kulyab city.</p> <p>Intercity public transport is represented by private share-taxis and minibuses. Also, "Asian Express" transportation company provides buses for intercity trips with fixed schedule. No internal transport except private negotiable taxis. The railway is not used for intercity public transportation, but for cargo transporting and international passenger trips.</p> <p><u>Electricity supply:</u></p> <p>Technical information on power supply in Vose is not available. Electricity blackouts for population in wintertime are quite common. No official power limitation schedule is available.</p> <p><u>ICT services:</u></p> <p>The main means of communication are mobile networks, operated by "Babilon-M", "Megafon", "TCell" and "ZET-mobile". Main home and office internet providers are "Tojnet" and "Babilon-T".</p>	<p>The Khulbuk fortress<sup>8</sup> and the district's beautiful nature provide an excellent opportunity to develop the tourism sector. There are also areas suitable for sanatoriums and recreational resort facilities. However, the lack of utilities may affect the development of these types of businesses.</p> <p>Another business opportunity is health and spa sanatoriums. Different types of medicinal herbs grow in the mountains of Vose, providing the locals with a chance to earn additional income throughout the harvesting season.</p>

<sup>8</sup> An ancient medieval citadel located in Kurbanshaid village (Kurban Shahid). The settlement of the citadel covers an area of 70 hectares. The palace of Khatlon princes functions as a fortress-museum where many invaluable archeological collections are displayed.

The following table presents the main socio-economic indicators of the district as of 2020:

1	Population (people)	220,000
2	Households (num)	25,000
3	Registered businesses:	
	Legal entities	471
	Home-based business	5,942
	Entrepreneurs <sup>7</sup>	2,073
	Operating on patent	1,533
	Operating on certificate	540
4	Number of farmers	3,398
5	Land (territory) (ha)	3,630,900
6	Agricultural land (ha)	21,258
	Irrigated fields (ha)	19,522
	Rainfed fields (ha)	1,736

Population in Vose has free access to TV channels like “Shabakai Avval”, “Safina”, “Bahoriston”, “Jahonnamo”, “TV-Khatlon” and “RTR-Planeta”. Such radio waves as “Tojikiston”, “Ozodi” and “Imruz” are broadcasted.

Water supply and sewage system:

Water supply system is operated by the branch of Sate Unitary Enterprise “Khojagii Manziliyu Kommunalii” (Housing and Communal Services). Sewage system does not exist. The capacity of existing water supply system is very low. Water is supplied on hourly basis (No official figures at free access on coverage ratio were found)

<sup>7</sup> Dehkan farms or agricultural entrepreneurs are excluded.

## **Annex 6 Guideline for Delivery of BoB Training**

## Guideline for Delivery of “Basics of Business” Training

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# 1 Outline

## 1.1 Objective

This guideline sets forth the procedures for delivery of “Basics of Business” (BoB) training to be provided by SIBI in cooperation with the Business Incubation Project (BIP).

The guideline explains the detailed tasks to be carried out upon the planning, preparation, delivery, and evaluation of the training. It also determines the tools and formats to be used for performing the tasks and defines each actor’s roles and responsibilities.

## 1.2 Target area

The training will be provided to entrepreneurs and MSEs in Dushanbe and eight districts in Sugd, DRS, and Hatlon regions. The table below shows the target districts and the SIBI’s regional divisions/units (business incubators) in charge of delivery of the training in the districts:

Table 1. Target area

Region	No	District	Business incubator in charge
Dushanbe	1	Dushanbe	Dushanbe business incubator
DRS	2	Vahdat	Dushanbe business incubator
	3	Rasht	Dushanbe business incubator
Hatlon	4	Kulyab	Kulyab/Dushanbe business incubator
	5	Hamadoni	Kulyab/Dushanbe business incubator
	6	Vose	Kulyab/Dushanbe business incubator
	7	Huroson	Dushanbe business incubator
Sugd	8	Asht	Hujand business incubator
	9	Kanibadam	Hujand business incubator

The locations of the target districts and the SIBI’s regional divisions/units are shown in the figure below:

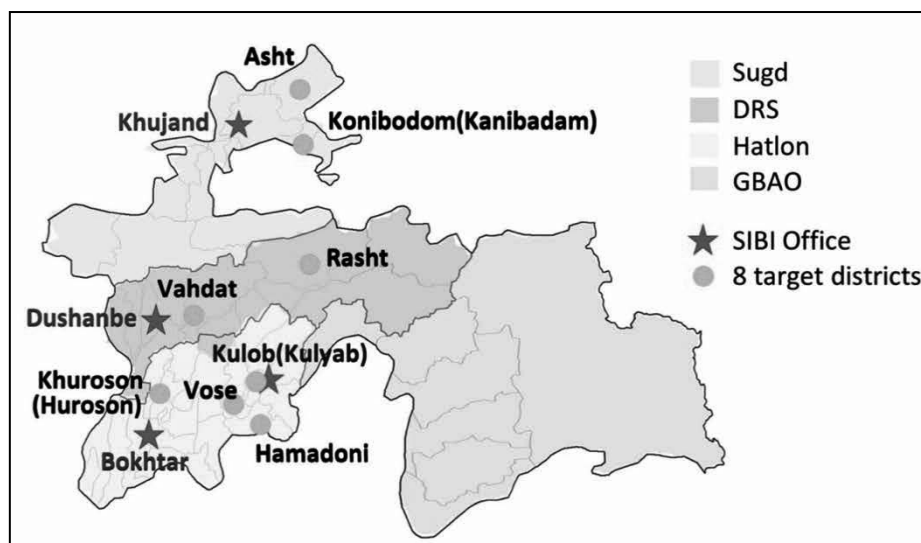


Figure 1. Target districts



### 1.3 Basic approaches

The following approaches will be adopted in the delivery of BoB training:

- SIBI, through its business incubators, will conduct BoB training, while BIP will support SIBI both technically and financially in the delivery of the training. The details are presented in the table below:

Table 2. Roles of BIP and SIBI

No	Parties	Roles
1	BIP	<ul style="list-style-type: none"> <li>• Review the training program and teaching materials and propose modifications when necessary</li> <li>• Provide TOT to the selected trainers</li> <li>• Prepare PR tools (posters, leaflets, etc.)</li> <li>• Organize logistics (identify prospective venues and negotiate conditions, print teaching materials/hand-outs, purchase materials, etc.)</li> <li>• Finance training costs</li> <li>• Evaluate the overall effectiveness of the training</li> </ul>
2	SIBI	<ul style="list-style-type: none"> <li>• Plan and prepare for BoB training</li> <li>• Assign trainers</li> <li>• Recruit trainees (entrepreneurs and MSEs)</li> <li>• Support BIP in performing logistics tasks when necessary</li> <li>• Conduct training</li> </ul>

- Each business incubator will designate a coordinator for BoB training who will plan and prepare for training sessions and support trainers in delivering training. SIBI HQs' staff in charge of training will support the coordinators as well as coordinate among SIBI HQs, the business incubators, and BIP;
- The training will be conducted not only at business incubators but also in venues easily accessible to entrepreneurs and MSEs; and
- The training will be provided to entrepreneurs and MSEs free of charge. BIP will bear the costs for trainers' allowance and travel allowances (accommodation, daily allowance and transportation costs), venue rental fees, and charges for refreshments/lunch.
- In each target district, BIP, with the support of SIBI, will identify venue operators and businesses who can provide (or arrange) lunch and refreshments, negotiate charges and conditions<sup>1</sup>; and prepare a list of prospective venues/service providers after signing an MOU with each of them. This list will be used when selecting venues and providers of refreshments/lunch for training.

## 2 “Basics of Business” training

### 2.1 Target trainee

“Basics of Business” (BoB) is the training to be provided to current or potential entrepreneurs and MSEs who lack basic knowledge and skills to start and operate their businesses, having limited understanding on the internal and external environment of their businesses. Most of these entrepreneurs and MSEs are often troubled by simple issues such as what to produce or how to keep books and tend not to have enough time to participate in training to improve their knowledge.

BoB training to be offered by SIBI will be short and simple, with the contents shown in “[2.3](#)

<sup>1</sup> If the training is conducted at the business incubators, the venue should be provided for free.

Training program” below. Any entrepreneurs and MSEs planning to start or expand their businesses can attend the training as long as they are interested in the training program and willing to spend time. No additional requirements will be set for trainees. A session of the training will be, in principle, organized for up to ten trainees.

## 2.2 Trainers

Each one of the sessions of training will be conducted by one trainer. Trainers could be either SIBI’s staff members or external trainers with experience of conducting similar types of training. SIBI will identify candidate trainers for each target district. From the perspective to support female entrepreneurs, SIBI should try to select as many female candidates as possible.

BoB training does not require trainers to have in-depth knowledge of business, but rather a facilitation skill to help trainees collect their business ideas; BIP in cooperation with SIBI will develop their training/facilitation skills through Training of Trainers (TOT).

The TOT will be conducted in the following steps: (1) BIP staff with SIBI master trainers will conduct BoB training for candidate trainers, with the latter playing the entrepreneurs’ role in the training; (2) with the assistance of BIP staff / SIBI master trainers, candidate trainers will provide the same training to local entrepreneurs; and (3) candidate trainers will conduct the training by themselves under the observation by BIP staff / SIBI master trainers. If the results are satisfactory, the candidates will finally be recognized as trainers. BIP and SIBI will provide the business incubators with the list of recognized trainers. External trainers will sign the memorandum of understanding shown in “Attachment-3: MOU to be signed with external trainers (Template)” with BIP/SIBI.

## 2.3 Training program

Considering the typical entrepreneurs’ needs for training, BIP prepared a BoB training program (Table3) and teaching materials.

Table 3. BoB training program

Day		Topic	Contents	Duration (min)
Day1	Morning	Step1: Introduction to Business	Introduction	15
			Baseline test	20
			What are your business ideas?	25
			Coffee break	20
			Business operation	20
			SWOT analysis	50
			Lunch break	60
	Afternoon	Step2: Marketing	Market	20
			Marketing	10
			4 Ps of marketing	30
Coffee break			20	
		4 Ps of marketing (continuation)	50	
Day2	Morning	Step3: Cost and Pricing	Costing	60
			Coffee break	20
			Costing (continuation)	30
			Price setting	40
			Lunch break	60
	Afternoon	Step4: Record Keeping	Cashier’s checks, payment vouchers, and invoices	25
			Cash flow	35
			Coffee break	20

			Income statement	50	
Day3	Morning	Step5: Business Planning	Business planning	60	
			Coffee break	20	
			Business planning (continuation)	40	
			Clarification of business plans	30	
				Lunch break	60
	Afternoon	Legal obligations	Legal obligations and administrative procedures	60	
			Coffee break	20	
			Useful contacts (10 min)	10	
Final test			40		

The teaching materials are prepared for both trainees (“Participant’s Workbook”) and trainers (“Facilitator’s Guide”). The former covers essential knowledge for business with simple examples and exercises, while the latter explains teaching methods and important points (along with time slots) that should be taken into account when delivering each topic.

Prior to the first TOT, the training program’s effectiveness will be tested through actual training, based on which the training program and teaching materials will be revised. Once approved by the SIBI director, the program/teaching materials will be used in every training session provided by SIBI’s business incubators. Modifications to the program/teaching materials will be made based on the SIBI director’s consent.

## 2.4 Implementation schedule

The training will be conducted in accordance with the annual training calendars that the business incubators will prepare with the support of the SIBI HQs’ staff in charge of training. The training calendar must show the approximate schedule of each training session and the cities/villages where these sessions are planned.

## 3 Responsibilities of the actors

The table below shows the responsibilities of the actors involved in the delivery of BoB training:

Table 4. Responsibilities of actors

	Actors	Responsibilities
1	SIBI HQs’ staff in charge of training	<ul style="list-style-type: none"> <li>Support business incubators in preparing their annual training calendars</li> <li>Support coordinators of business incubators in planning training sessions and recruiting trainees (disseminating information about training sessions)</li> <li>Consolidate reports of training sessions delivered by business incubators and update SIBI’s training database</li> <li>Coordinate among SIBI, BIP, and business incubators</li> </ul>
2	Coordinators of business incubators	<ul style="list-style-type: none"> <li>Plan the training sessions to be conducted by his/her business incubator</li> <li>Prepare for the training sessions</li> <li>Support BIP in performing logistics tasks upon request</li> <li>Determine trainers and recruit trainees</li> <li>Monitor delivery of training sessions and support trainers when necessary</li> <li>Collect trainees’ comments and opinions on the training</li> <li>Compile training data</li> </ul>

3	Trainers	<ul style="list-style-type: none"> <li>• Deliver training sessions</li> <li>• Assess trainees' performance by taking attendance and conducting tests</li> <li>• Prepare reports on delivery of the training</li> </ul>
4	Accounting staff in SIBI/ business incubators	<ul style="list-style-type: none"> <li>• Make payments to relevant SIBI personnel</li> <li>• Make payments to venue providers if requested by BIP</li> <li>• Prepare documents required for reimbursement of allowances paid to SIBI personnel and claim the allowances to BIP</li> </ul>
5	BIP staff	<ul style="list-style-type: none"> <li>• Prepare posters, leaflets and sample contents for newspaper publicity and web advertisements</li> <li>• Conduct TOT together with SIBI master trainers</li> <li>• Determine prospective training venues, providers of refreshments/lunch and prices</li> <li>• Purchase materials, and print teaching materials/test sheets/questionnaires/formats)</li> <li>• Monitor delivery of training sessions</li> <li>• Make payments and conduct accounting</li> <li>• Support SIBI staff members in delivering the training</li> </ul>
6	BIP JICA expert	<ul style="list-style-type: none"> <li>• Analyze training data and evaluate the overall effectiveness of the training</li> <li>• Review the training program/teaching materials and propose modifications</li> </ul>

The section below (“4 Procedures and methods for delivery of the training”) explains the methods for discharging the tasks.

## 4 Procedures and methods for delivery of the training

### 4.1 Planning training sessions

At the end of each quarter, the coordinator in respective business incubators will plan training sessions to be provided by their business incubator in the next quarter and submit the plan to BIP through the head of the business incubator. With approval by the head of the business incubator and BIP, the coordinator will prepare for the training sessions.

When planning the training sessions, the coordinator will select the venues in the municipalities (cities or villages) where the training sessions will be conducted, select trainers, and decide the exact schedule for each session. The details of the tasks are explained in the table below:

Table 5. Details of tasks

No	Tasks	Details
1	Select venue	<p>The coordinator will select a venue for each of the training sessions from the list of prospective venues/service providers provided by BIP/SIBI. In case that the training session has to be conducted in a venue other than those on the list, the coordinator will propose to BIP/SIBI a facility that meets the following requirements:</p> <ul style="list-style-type: none"> <li>• Accessibility: The facility must be located at a place that can be easily accessed with public transport;</li> <li>• Room capacity: The room must accommodate ten trainees at a time, with sufficient spaces for social distancing;</li> <li>• Refreshments and lunch: Refreshments and lunch can be served at the training venue (catering services can also be utilized); and</li> <li>• Health and hygiene: The room must be sufficiently illuminated and ventilated, equipped with air conditioning/ heating systems. The facility must have toilets/washrooms inside or nearby.</li> </ul>

2	Select trainers	<p>The coordinator will select potential trainers for each of the training sessions from the list provided by SIBI/BIP. Priority will be given to SIBI staff members. When necessary, the coordinator will consult SIBI's HQs or other business incubators about available trainers. External trainers will be sought when there is no suitable person available within SIBI.</p> <p>The coordinator will inform the potential trainers about the training schedule and conditions for the work, and verify their willingness and availability for the training sessions. Based on their consent and availability, the coordinator will select the trainers and assign them to the training sessions.</p>
3	Identify provider for refreshments and lunch	<p>If the venue operator cannot provide refreshments and lunch, the coordinator should identify catering services and provide BIP with information about the services. BIP will negotiate prices and select a provider.</p> <p>The selected provider will be added onto the list of prospective venues/service providers, and then the updated list will be shared with the business incubator.</p>
4	Prepare a training plan	<p>The coordinator will prepare the training plan by filling the results of above tasks in the format shown in "<a href="#">Attachment-1: Training plan (Sample)</a>" and submit it to the head of the business incubator and BIP for approval.</p>

## 4.2 Preparing for training sessions

After obtaining the approval on the training plan, the coordinator will proceed to the preparatory tasks. The details of the tasks are shown in the table below:

Table 6. Details of the preparatory tasks

No	Tasks	Details
1	Prepare PR tools	<p>With the SIBI HQs' staff in charge of training, BIP will design posters/leaflets and draft sample contents for newspaper publicity and web advertisements.</p> <p>The poster and leaflet contain general information about BoB training as well as fields for information on delivery schedule, venue, and application method that will be filled by the business incubators when announcing a training session.</p> <p>BIP will print posters and leaflets, and deliver them to the business incubators. The coordinator will make the posters and leaflets ready for use by filling the fields with the information about the planned training sessions.</p>
2	Recruit trainees	<p>Using the posters/leaflets and the sample contents for newspaper publicity and web advertisements, the coordinator, in cooperation with the SIBI HQs' staff in charge of training, will disseminate information about the training sessions through mass media as well as the SIBI's website and Facebook page. The poster will be placed at district offices, city halls, Job Centers (Ministry of Labor, Migration and Employment), Migration Centers (including those supported by ADB project on TVET), the local branches of SCISPM, and other places where entrepreneurs and MSEs often visit.</p> <p>The coordinator will respond to inquiries by entrepreneurs and MSEs interested in the training and register them on a first-come-first-served basis in the format shown in "<a href="#">Attachment-2: Registry of trainees (Format)</a>." Entrepreneurs and MSEs can submit their requests for</p>

		registration by telephone/email or in-person by visiting the business incubator. In order to cater to last-minute cancellation, the coordinator can hold a waiting list (or a reserve list) for trainees.
3	Deliver required items	Based on the request of the coordinator, BIP will deliver to the business incubator the consumables as well as printed teaching materials, test sheets, questionnaire and formats to be used during the training.
4	Complete other arrangements	Other tasks that the coordinator has to perform might include placing orders for the venue and refreshments/lunch, and making the materials and formats ready.

### 4.3 Providing training sessions

The coordinator will be present at a training session in the morning of the first day and in the afternoon of the last day. Before the session begins, the coordinator will verify the venue and refreshment/lunch preparation and make the materials ready for the training. Upon the end of the session, the coordinator will collect trainees' comments and opinions on the training following the instructions presented in the table below.

The trainer will deliver the session following the "Facilitator's Guide." Important tasks that should be completed during the training are the following:

Table 7. Tasks to be completed during training sessions apart from training

No	Tasks	Details
1	Take attendance of the trainees	When starting the morning and afternoon parts of the training session, the trainer will take the trainees' attendance using the format shown in " <a href="#">Attachment-4: Attendance record (Format)</a> ."  At the end of the training, the trainees' overall attendance rate will be recorded on the same sheet, and the filled sheet will be submitted to the coordinator after the training.
2	Test trainees' knowledge	At the end of the training session, the improvement of the trainees' knowledge of business will be evaluated.  To assess the improvement of the trainees' knowledge, the trainer will give the trainees the same test twice, at the beginning and end of the session, using the test sheet presented in " <a href="#">Attachment-5: Test sheet</a> ." The trainer will evaluate the results of both tests using the format presented in " <a href="#">Attachment-6: Test evaluation sheet</a> ." By comparing the results of the tests given at the beginning and end of the session, the trainer will identify the difference in the trainees' level of knowledge.  The filled tests and test evaluation sheets will be submitted to the SIBI/BIP after the session.
3	Obtain trainees' comments and opinions on the training	At the end of the training session, the coordinator will distribute the questionnaire shown in " <a href="#">Attachment-8: Questionnaire on BoB training (for trainees)</a> " to the trainees and have it filled. The trainees' responses to the questionnaire will be used for evaluating the training session and improving the training program, teaching materials, and the delivery method.  The coordinator will summarize the responses and submit them to SIBI HQs and BIP with the report on the delivery of the training session (see " <a href="#">4.4 Reporting the results</a> " below).

#### 4.4 Reporting the results

Within 10 business days after the completion of each training session, the coordinator, in cooperation of the trainer will prepare the report on the delivery of the training session using the format presented in “Attachment-7: Report on delivery of BoB training session” and submit the report to BIP through the head of the business incubator.

The following documents should be attached to the report:

- Registry of trainees;
- Test evaluation sheet; and
- Summary results of trainees’ responses to the questionnaire.

### 5 Financing costs

Having reviewed the report, the head of the business incubator will permit the business incubator’s staff in charge of accounting to pay the allowances (trainer’s allowance and travel allowances) and transportation costs to the trainer (if the trainer is a SIBI’s staff member). If requested by BIP, the business incubator will also make payments to the venue operator and refreshments/lunch provider.

When claiming the above costs, the business incubators should submit to BIP the documents shown in the table below.

Table 8. Documents required to get reimbursement of costs

No	Costs	Documents to be submitted
1	Trainer’s allowance (if the trainer is a SIBI’s staff member)	The documents indicated in the Memorandum of Understanding signed between BIP and SIBI on the allowances for SIBI’s staff members
2	Travel allowances (accommodation, daily allowance and transportation costs)	Same as above
3	Venue rental fee (in exceptional cases)	Invoice and/or receipt issued by the venue operator (addressed to IMG and/or BIP)
4	Charges for refreshments/lunch (in exceptional cases)	Invoice and/or receipt issued by the provider (addressed to IMG and/or BIP). If the refreshments/lunch were provided by the venue operator, the charges will be indicated on the same invoice and/or receipt for the venue rental fee.

Regarding #3 and #4 above (exceptional cases), the invoices and/or receipts to be submitted to BIP for reimbursement of costs must meet the requirements indicated in “Attachment-9: Instruction for receipts”; the SIBI accounting staff will ensure that the receipts satisfy the requirements upon receiving them.

Upon the receipt of the documents above, BIP will reimburse the amounts to the respective business incubators through SIBI HQs.

All other payments will be made by BIP directly to respective providers.

## 6 Training data management

The data of the provided training sessions will be recorded in the following two files: (a) Entrepreneur and MSE database and (b) Database of provided training. The structure of each database is the following:

(a) Data fields for the Entrepreneur and MSE's database:

- Name
- Gender
- Address (district, city, and other details)
- Contact address (telephone No. and email address)
- Current business (or planned business)
- Purpose of attending the training
- Attended training (the business incubator in charge, Training serial No., and date of provision)
- Attendance (attended hours and attendance rate)
- Test results (results of the preliminary and final tests)

(b) Data fields for the Database of provided training:

- Target district
- City/Village
- Business incubator in charge
- Training serial No.
- Name of coordinator
- Name of trainer
- Date of provision (started and ended)
- Number of trainees
- Venue (operator's name and facility name, and address)

After providing a training session, the coordinator will update these files and submit them to the SIBI HQs' staff in charge of training. The SIBI HQs' staff in charge of training will consolidate the files and share the consolidated file with the business incubators. The consolidated file will serve as the SIBI's training database.



# 7 Attachments

## 7.1 Attachment-1: Training plan (Sample)

Business Incubator in charge: _____																				
Target district: _____																				
<b>Plan for Basics of Business Training Sessions</b>																				
Number of training sessions: _____	Quarter: _____, Year: _____																			
Date: _____																				
<b>(1) General</b>																				
	Items	Session1	Session2	Session3																
1	Training Serial No.																			
2	Dates of provision	Start																		
		End																		
3	Target City / Village																			
4	Venue	Name																		
		Address																		
5	Provider of lunch/refreshments (if the venue operator does not provide the service)																			
6	Trainer	Full name																		
		Date of arrival in the target city																		
		Date of departure from the city																		
<b>(2) Preparations and overall schedule</b>																				
No	Tasks	Person in charge	Month1: _____			Month2: _____			Month3: _____											
			1->10	11->20	21->31	1-10	11-20	21->31	1-10	11-20	21->31									
1	Recruit trainees	Coordinator																		
2	Select and brief a trainer	Coordinator																		
3	Deliver materials (consumables, teaching materials, test sheet, questionnaire and formats)	BIP staff																		
4	Provide training	Trainer (Coordinator)																		
5	Report results	Trainer / Coordinator																		
Prepared by: _____ (signature) _____, (name)																				

7.2 Attachment-2: Registry of trainees (Format)

**Registry of trainees**

Business incubator in charge: \_\_\_\_\_

Target district: \_\_\_\_\_

Training serial No.: \_\_\_\_\_

Date of provisions: Start: \_\_\_\_\_; End: \_\_\_\_\_

No	Date	Full name	Gender (M / F)	Address	Tel No. / Email address	Current business	Purpose  ("Start a new business" / "Expand existing business")

Registered by: \_\_\_\_\_(Signature)\_\_\_\_\_, (Name)

### 7.3 Attachment-3: MOU to be signed with external trainers (Template)

#### Memorandum of Understanding on Delivery of “Basics of Business” Training

This Memorandum of Understanding (hereinafter referred to as “MOU”) is signed among Business Incubation Project (hereinafter called “BIP”), State Institution “Formation and Development of Entrepreneurship in Tajikistan” (hereinafter called “SIBI”) and \_\_\_\_\_ (full name) with the National ID No. \_\_\_\_\_ (hereinafter called “the Trainer”), which states their mutual agreement on the cooperation among the parties in delivery of “Basics of Business” training.

#### (1) General provision

The purpose of this MOU is to determine the terms and conditions when BIP/SIBI uses the Trainer’s service in the provision of the training described in “(2) ‘Basics of business’ training.”

Signing this MOU does not oblige either BIP or SIBI to employ the Trainer. The Trainer’s service will be requested when SIBI or its business incubators need the Trainer’s service, and the Trainer will be assigned to a session(s) of the training based on his or her consent.

Once the Trainer is assigned to a session of the training, the parties must fulfill the terms and conditions set forth in the following sections.

#### (2) “Basics of Business” training

“Basics of Business” is the training to be provided to potential and current entrepreneurs or MSEs who lack basic knowledge and skills to start and operate their businesses. The training covers the essential topics that include business operation, marketing, costs and pricing, record keeping, business planning, and administrative procedures related to business operations.

The training is conducted regularly in short and simple sessions in accordance with the program determined by BIP/SIBI, with up to ten trainees per session in principle.

#### (3) Obligations of the parties

##### 3-1 SIBI’s obligations:

- Inform the Trainer about the schedule of the training session at least one month before the training session starts;
- Provide a TOT to the Trainer;
- Prepare for the training session, including recruitment of trainees, the arrangement of venues, and preparation of materials necessary for the training;
- Provide the Trainer with teaching materials (both “Participant’s workbook” and “Facilitator’s Guide”), and templates/formats required for implementing the Trainer’s obligations indicated in “3-2 The Trainer’s obligations” below; and
- Support the Trainer at the beginning and end of the training session(s).

##### 3-2 Trainer’s obligations:

- Deliver the training session in accordance with the “Facilitator’s Guide”;
- Take attendance of the trainees;
- Evaluate trainee’s knowledge by conducting tests before and after the training session; and
- Prepare a report on the delivered training session and submit it to BIP through SIBI in 10 business days after completion of the training session.

**3-3 BIP's obligations:**

- To pay the Trainer the amount indicated in “(4) Payment.”

**(4) Payment**

BIP will pay the following amount to the Trainer upon the submission of the report on the delivered training session:

- \_\_\_\_\_ **TJS per day** as a remuneration for the period during which the training session(s) is actually delivered;
- **40 TJS per day** as a per diem for the period during which the Trainer stays in the place where the training session is conducted;
- **300 TJS per night** as an accommodation allowance for the period during which the Trainer stays in the place where the training is conducted; and
- One of the following amounts as a transportation allowance for intercity travels:
  - **200 TJS per one way** for Dushanbe-Sughd trip
  - **100 TJS per one way** for Dushanbe-Rasht trip
  - **50 TJS per one way** for other trips

**(5) Covered period**

This MOU shall become effective upon signature by the parties and remain effective until modified or terminated based on the parties' mutual consent.

Date: \_\_\_\_\_

**Business Incubation Project:**

**Trainer:**

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Position: \_\_\_\_\_

\_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_  
Tel No.: \_\_\_\_\_

\_\_\_\_\_  
Tel No.: \_\_\_\_\_

**State Institution “Formation and Development of Entrepreneurship in Tajikistan”:**

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Position: \_\_\_\_\_

\_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_  
Tel No.: \_\_\_\_\_

7.4 Attachment-4: Attendance record (Format)

### Attendance record

Business incubator in charge: \_\_\_\_\_  
Target district: \_\_\_\_\_

Training serial No.: \_\_\_\_\_

Date of provision: Start: \_\_\_\_\_; End: \_\_\_\_\_

No	Name of trainee	Gender (M/F)	Attendance (in hours)						Total (__ hrs)	Attendance rate (%)	Remark
			Day1		Day2		Day3				
			A.M.	P.M.	A.M.	P.M.	A.M.	P.M.			
			(__ hrs)	(__ hrs)	(__ hrs)	(__ hrs)	(__ hrs)	(__ hrs)			

Trainer: \_\_\_\_\_(Signature)\_\_\_\_\_, (Name)

7.5 Attachment-5: Test sheet

**Basic of Business Training  
- Comprehension Test -**

Full Name : \_\_\_\_\_

Date : \_\_\_\_\_

**Please fill in the blanks and answer the questions**

**1. Successful business (2 points)**

A successful business provides a service or a product that the (c \_\_\_\_\_) want at a reasonable price while at the same time making a (p \_\_\_\_\_) for the owner.

**2. SWOT (4 points)**

1) Do you know what is SWOT? Yes or No? \_\_\_\_\_

2) If yes, fill in the blanks :

INTERNAL	EXTERNAL
Build on (S _____)	Exploit (O _____)
Resolve (W _____)	Avoid (T _____)

**3. 4P (4 points)**

1) Do you know what is 4P? Yes or No? \_\_\_\_\_

2) If yes, what do they stand for? (P \_\_\_\_\_), (P \_\_\_\_\_), (P \_\_\_\_\_), (P \_\_\_\_\_)

**4. Cost and Pricing (5 points)**

1) Do you know the difference between fixed cost and variable cost? Yes or No? \_\_\_\_\_

2) If yes, write F for fixed cost and V for variable cost in below chart.

	Item	F or V (Fixed cost or Variable cost) ?
1)	Raw material cost	
2)	Business license fee	
3)	Salaries for permanent employees	
4)	Electricity cost to run your machines	
5)	Electricity cost of your office	

**5. Depreciation Cost (2 points)**

- 1) **Choose 2 items below which are suitable for depreciation.** \_\_\_\_\_ , \_\_\_\_\_
- a. office building you are renting (\$500 per month)
  - b. salaries (\$500 per month)
  - c. company car that you bought (\$10,000)
  - d. equipment that you bought (\$2,000)
  - e. notebooks that you bought (\$10)

2) Monica's HOT Bakery bought an oven for 1,800 TJS. It has a lifespan of 5 years.

How much is its annual depreciation cost? ( \_\_\_\_\_ TJS)

**6. Price (4 points)**

1) Fill in the blanks : Price = (C \_\_\_\_\_) + (P \_\_\_\_\_)

2) Fill in the blanks :

When setting a price, you need to consider 4 things :

- i) Total expenses you will spend;
- ii) How much customers are willing to pay for your products/services;
- iii) Your (c \_\_\_\_\_)'s prices; and
- iv) (P \_\_\_\_\_) you want to achieve.

**7. Unit Cost (1 point)**

Answer the question below :

Ben owns a farm and sells milk in the town. The amount of milk that he sells in a month is 1,000 liters. He pays 6,000 TJS for cow feed each month and 100 TJS a day to his worker who works on the farm for 20 days every month. The monthly transportation cost is 2,000 TJS. How much is the unit cost of the milk per liter?

Answer : ( \_\_\_\_\_ ) TJS per liter

**8. Profit (3 points)**

Write down 3 different ways to increase your profit:

- 1. to increase the (s \_\_\_\_\_)
- 2. to increase the (p \_\_\_\_\_)
- 3. to decrease the (c \_\_\_\_\_)

**9. Cash Flow (5 points)**

Fill in the blanks :

You rent a counter at the local food market and sell vegetables. The table below is your cash flow journal for November. On 6 Nov, you purchased 10 kg of potato from a farmer at 40 TJS per kilogram. On the following day, you sold 5 kg of potato at the price of 60 TJS/kg. Fill the missing figures in the cash flow journal.

Date	Details	Cash (TJS)		
		in	out	balance
	<b>Balance at the end of the previous month</b>			<b>3,000</b>
1 Nov	Sold 20 kg of carrot at the price of 50 TJS/kg	1,000		4,000
2 Nov	Paid the monthly rental fee		2,000	2,000
6 Nov	Purchased 10 kg of potato and paid 40 TJS for each kg			
7 Nov	Sold 5 kg of potato at the price of 60 TJS/kg			
	<b>Balance at the end of this month</b>			

Score: \_\_\_\_\_ / 30

**Basic of Business Training**  
**- Comprehension Test (Answer) –**

Full Name : \_\_\_\_\_

Date : \_\_\_\_\_

**Please fill in the blanks and answer the questions**

**1. Successful business (2 points)**

A successful business provides a service or a product that the **(customers / consumers / clients)** want at a reasonable price while at the same time making a **(profit)** for the owner.

**2. SWOT (4 points)**

1) Do you know what is SWOT? Yes or No? \_\_\_\_\_

2) If yes, fill in the blanks :

INTERNAL	EXTERNAL
Build on <b>(Strengths)</b>	Exploit <b>(Opportunities)</b>
Resolve <b>(Weaknesses)</b>	Avoid <b>(Threats)</b>

**3. 4P (4 points)**

1) Do you know what is 4P? Yes or No? \_\_\_\_\_

2) If yes, what do they stand for? **(Product), (Price), (Place), (Promotion)**

**4. Cost and Pricing (5 points)**

1) Do you know the difference between fixed cost and variable cost? Yes or No? \_\_\_\_\_

2) If yes, write F for fixed cost and V for variable cost in below chart.

	Item	F or V (Fixed cost or Variable cost) ?
1)	Raw material cost	V
2)	Business license fee	F
3)	Salaries for permanent employees	F
4)	Electricity cost to run your machines	V
5)	Electricity cost of your office	F

**5. Depreciation Cost (2 points)**

1) Choose 2 items below which are suitable for depreciation. ( c , d )

- |  |  |
|--|--|
| a. office building you are renting (\$500 per month) | d. equipment that you bought (\$2,000) |
| b. salaries (\$500 per month)                        | e. notebooks that you bought (\$10)    |
| c. company car that you bought (\$10,000)            |  |



2) Monica's HOT Bakery bought an oven for 1,800 TJS. It has a lifespan of 5 years.

How much is its annual depreciation cost? ( 360 TJS)

**6. Price (4 points)**

1) Fill in the blanks : Price = (Cost) + (Profit)

2) Fill in the blanks :

When setting a price, you need to consider 4 things :

- i) Total expense you will spend;
- ii) How much customers are willing to pay for your products/services;
- iii) Your (competitor)'s prices; and
- iv) (Profit) you want to achieve.

**7. Unit Cost (1 point)**

Answer the question below :

Ben owns a farm and sells milk in the town. The amount of milk that he sells in a month is 1,000 liters. He pays 6,000 TJS for cow feed each month and 100 TJS a day to his worker who works on the farm for 20 days every month. The monthly transportation cost is 2,000 TJS. How much is the unit cost of the milk per liter?

Answer : ( 10 ) TJS per liter

**8. Profit (3 points)**

Write down 3 different ways to increase your profit:

- 1. to increase the (sales/ sales volume)
- 2. to increase the (price)
- 3. to decrease the (cost)

**9. Cash Flow (5 points)**

Fill in the blanks :

You rent a counter at the local food market and sell vegetables. The table below is your cash flow journal for November. On 6 Nov, you purchased 10 kg of potato from a farmer at 40 TJS per kilogram. On the following day, you sold 5 kg of potato at the price of 60 TJS/kg. Fill the missing figures in the cash flow journal.

Date	Details	Cash (TJS)		
		in	out	balance
	<b>Balance at the end of the previous month</b>			<b>3,000</b>
1 Nov	Sold 20 kg of carrot at the price of 50 TJS/kg	1,000		4,000
2 Nov	Paid the monthly rental fee		2,000	2,000
6 Nov	Purchased 10 kg of potato and paid 40 TJS for each kg		400	1,600
7 Nov	Sold 5 kg of potato at the price of 60 TJS/kg	300		1,900
	<b>Balance at the end of this month</b>			<b>1,900</b>

Score: \_\_\_\_\_ / 30

7.6 Attachment-6: Test evaluation sheet

### Test evaluation sheet

Business incubator in charge: \_\_\_\_\_  
 Target district: \_\_\_\_\_  
 Training serial No.: \_\_\_\_\_

Type of the test (circle):      1. Baseline test    2. Final test  
 Date: \_\_\_\_\_

No	Name of trainee	Scores										Overall evaluation 0-18: "Bad" 19-23: "Moderate" 24-30: "Good"	Remark
		Q1 (2 pts)	Q2 (4 pts)	Q3 (4 pts)	Q4 (5 pts)	Q5 (2 pts)	Q6 (4 pts)	Q7 (1 pts)	Q8 (3 pts)	Q9 (5 pts)	Total (30 pts)		

Trainer: \_\_\_\_\_ (Signature) \_\_\_\_\_, (Name)

**7.7 Attachment-7: Report on delivery of BoB training session**

Target district: \_\_\_\_\_

Business Incubator in charge: \_\_\_\_\_

Training Serial No.: \_\_\_\_\_

Coordinator: \_\_\_\_\_

Trainer: \_\_\_\_\_

**Report on delivery of BoB training session**

Date: \_\_\_\_\_

**A. Provided training**

1. Venue (circle):

a) Business Incubator

b) Other (Specify): \_\_\_\_\_

2. Duration of training: \_\_\_\_\_ days (From \_\_ (date) \_\_ To \_\_ (date) \_\_)

3. Number of trainees: \_\_\_\_\_ persons

**B. Evaluation of the trainees' performance**

No	Name of trainees	Attendance rate	Total scores of the tests			Attitude ("Good"/ "Moderate"/ "Bad")
			Preliminary	Final	Difference	

Remarks: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**C. Comments**

(appropriateness of the number of trainees, delivery method, contents of the training, issues that need to be improved, etc.):

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**D. Promising entrepreneurs and MSEs to be recommended to SIBI for business incubation**

Entrepreneur/MSE	Reason to recommend

**E. Attachments**

1. Attendance sheet (filled)
2. Tests filled by the trainees
3. Test evaluation sheet (filled)

Prepared by:

Trainer:     \_\_\_(signature)\_\_\_

Coordinator: \_\_\_(signature)\_\_\_

**7.8 Attachment-8: Questionnaire on BoB training (for trainees)**

*Training serial No.:* \_\_\_\_\_

*(to be filled by the coordinator)*

**Questionnaire on Basics of Business training**

**Q1. Was the size of your training group appropriate?**

- a. Yes b. No

If no, how many trainees should be covered with one training session?

\_\_\_\_\_ trainees

**Q2. How do you rate the contents of the teaching material (the Participant’s Handbook)?**

“5” =Easy to understand → “1” =Difficult to understand

5 4 3 2 1

**Q3. Mark the topics that you found difficult to understand?**

- |                             |                      |
|-----------------------------|----------------------|
| a. Introduction to business | d. Record keeping    |
| b. Marketing                | e. Business planning |
| c. Cost and pricing         | f. Legal obligations |

**Q4. Did you learn anything new?**

- a. Yes b. No

If yes, what was most interesting?

\_\_\_\_\_  
\_\_\_\_\_

**Q5. How would you rate the trainer?**

- a. Outstanding  
b. Good  
c. Acceptable  
d. Unacceptable

Please provide the details: \_\_\_\_\_

\_\_\_\_\_

**Q6. Was the training relevant to your needs?**

- a. Highly relevant
- b. Relevant
- c. Irrelevant
- d. Highly irrelevant

**Q7. Would you recommend the training to other people?**

- a. Yes
- b. No

**Q8. If you have any suggestions to improve this training, please describe them.**

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THANK YOU FOR YOUR COOPERATION

## 7.9 Attachment-9: Instruction for receipts

### Receipt Requirements:

The following information needs to be indicated on the receipt:

1. Date of payment (day, month, and year),
2. Client's name (it should be "IMG" and/or "BIP"),
3. Service provider's name (name of the venue operator or provider of lunch/refreshments),
4. Service provider's signature and/or company stamp,
5. Details of the provided service (Service type [e.g. "Venue rental", "Provision of refreshments", "Provision of lunch"], unit price and quantity of each service, total amount, and the type of currency [e.g. "somon"]),
6. Title of the paper must be "Receipt" or "Invoice." If the title is "Invoice," there must be a "PAID" stamp (hand-written "Paid" is also acceptable).

### Watch-Outs:

1. When any of the above is missing or corrected, the receipt is not valid (correction fluid or correction tape cannot be used).
2. As the ink on thermal paper fades quickly, please copy the receipt and attach the copy to the original receipt.
3. Please confirm all the calculation is correct (i.e., the total should be the sum up of each item, and the amount of each item should be its price multiplied by its quantity).
4. If the service provider has his/her original format but lacks some of the above information, please add the missing information manually. But if the title of the format is not "Receipt" or "Invoice," please use the format shown below.

RECEIPT				
Client: <b>IMG Inc.</b>		Supplier Name:		
Date: _____		Address:		
		Tel: _____		
<i>Duly received the amount on the items shown below.</i>				
Currency: <u>Somoni</u>				
No	Item	Quantity	Unit Price	Amount
Total				
Received by:				
Name (print): _____				
Signature: _____				

## **Annex 7 Mini-Financing Implementation Guidelines**



## **Start-up Mini-Financing Scheme (Implementation Plan)**

### **1 Outline**

#### **1.1 Objective**

The pilot project aims to create new employment and generate incomes for the beneficiaries indicated in “1.2 Target beneficiaries” in Kanibadam (Sogd) and Kulyab (Hatlon) districts by providing the support shown in “1.3 Support to be provided”.

#### **1.2 Target beneficiaries**

The beneficiaries are returned migrant laborers and people who could not immigrate due to the closure of the borders resulted from the outbreak of COVID-19.

A total of 400 people will be targeted in this pilot project.

#### **1.3 Support to be provided**

BIP will provide mini-financing to the applicants whose business plans (BPs) are deemed feasible and in line with the objective of the pilot project. SIBI’s regional divisions in Khujand and Kulyab (Khujand and Kulyab business incubators) will support potential beneficiaries in developing their BPs by providing “Basics of Business” training (and business incubation services).

With an average of USD 500 per beneficiary, a total of USD 200,000 will be provided in-kind through the pilot project.

#### **1.4 Implementation Structure**

The implementation structure of the pilot project is the following:

1. One project officer will be placed in SIBI HQs, under whom one field officer will be placed in each of the two target districts.<sup>1</sup>
2. In each of the Khujand and Kulyab business incubators, SIBI will designate a coordinator for the Start-up Mini-Financing Scheme.
3. An appraisal committee co-chaired by SIBI’s deputy-director and BIP’s representative will determine the beneficiaries. The following members will form the committee:
  - Co-Chairperson: SIBI’s deputy-director and BIP’s representative
  - Secretary: BIP Project officer
  - Members: JICA Tajikistan Office staff in charge of BIP, BIP’s JICA experts and project officers, and Senior specialist for development of BP in SIBI’s HQs

The table below shows the responsibilities of the actors:

Table 1. Responsibilities of actors

	Actors	Responsibilities
1	BIP Project officer	<ul style="list-style-type: none"> <li>• Supervise field officers;</li> <li>• Supervise field officers in preliminary screening (based on the BP and field investigation);</li> <li>• Support field officers in procurement;</li> </ul>

<sup>1</sup> A workspace will be provided to the field officers within Khujand and Kulyab business incubators.

		<ul style="list-style-type: none"> <li>• Manage funds and consolidate accounting;</li> <li>• Manage documents and prepare reports; and</li> <li>• Support field officers in conducting monitoring.</li> </ul>
2	BIP Field officers	<ul style="list-style-type: none"> <li>• Disseminate information about the pilot project in the target districts;</li> <li>• Register applicants;</li> <li>• Support applicants in filling the application form;</li> <li>• Receive applications;</li> <li>• Conduct preliminary screening;</li> <li>• Conduct procurement; and</li> <li>• Conduct monitoring in cooperation with SIBI coordinator.</li> </ul>
3	SIBI's coordinators	<ul style="list-style-type: none"> <li>• Identify applicants' needs for incubation services;</li> <li>• Select trainers for "Basics of Business" training and consultants; and</li> <li>• Plan, organize, and evaluate the provided training and incubation services</li> </ul>
4	Appraisal Committee	<ul style="list-style-type: none"> <li>• Evaluate applications and select beneficiaries</li> </ul>
5	BIP JICA expert	<ul style="list-style-type: none"> <li>• Evaluate the impact and effectiveness of the scheme; and</li> <li>• Compile the results of the pilot project into a report</li> </ul>

## 1.5 Basic principles

The following principles will apply to the implementation of the pilot project:

- Applicants to the Start-up Mini-Financing Scheme must, in principle, attend "Basics of Business" training in the two target districts (Kanibadam and Kulyab);
- When deemed necessary, applicants will be offered an incubation service to be provided by the Khujand and Kulyab business incubators;
- The beneficiaries will be selected based on their BPs which will be prepared during "Basics of Business" training;
- The mini-financing will be provided in the form of equipment and materials;
- The payment for the equipment and materials provided to the beneficiaries will be made directly to the suppliers; and
- The beneficiaries must bear the transportation costs of the items to be provided under the scheme.

## 2 Terms and conditions

### 2.1 Eligibility of applicants

In order to benefit from the Start-up Mini-Financing Scheme, applicants must meet the following requirements:

- Be a resident of the target districts;
- Worked abroad and returned to Tajikistan after 1 July 2019 in the cases of returned migrant laborers;
- Obtained, after 1 Jan 2020, the permission to work abroad and were planning to immigrate in the cases of those people who could not immigrate;
- Be willing to attend "Basics of Business" training;
- Be ready to pay the transportation costs of the equipment and materials supplied under the scheme; and
- Accept the terms and conditions shown in "2.3 Terms and conditions of the mini-financing."

## 2.2 Application by a group of applicants

Applicants can apply for the scheme either individually or as a group<sup>2</sup>. The maximum amount to be provided to a group will be 500 USD multiplied by the number of its members who meet the requirements outlined in “2.1 Eligibility of applicants” above.

All members of the group must agree on the terms and conditions set forth under the section “2.3 Terms and conditions of the mini-financing” below.

## 2.3 Terms and conditions of the mini-financing

Items to be provided: Equipment and materials to be used for improving and implementing the production and delivery of goods/services will be provided, on condition that the beneficiary proves himself or herself to be able to procure all other inputs required for his or her business.

The following items will not be supported within this pilot project:

- Items for general and office purposes;
- Goods to be traded;
- Fuel (gasoline) and lubricants;
- Payment of services; and
- Labor costs and public utility fees.

Ownership: JICA Tajikistan Office will retain the ownership of the provided items for the following period:

- Consumables<sup>3</sup>: 1 year from the date of provision
- Non-consumable<sup>4</sup>: Until the provided items are fully depreciated (The depreciation period of the items is set forth in the Table of Depreciation for Fixed Assets provided by the Ministry of Finance, which will be specified in the memorandum of agreement (MOA) between the BIP and beneficiary)

Upon the completion of the above period, the ownership will be transferred to the beneficiaries.

Conditions for utilization of provided items: The following conditions will apply to the provision and utilization of equipment and materials:

(1) The provided items are neither for resale nor to be transferred to a third party. The beneficiaries must use the items for the purpose indicated in the MOA signed with BIP for the provision of the items. Any breach of this condition will be considered as a misuse of the provided items;

(2) The beneficiaries must keep the provided items in good condition by maintaining them properly; and

(3) The items must be returned or an equivalent amount of money be repaid to JICA Tajikistan Office in the case of the following circumstances:

- The beneficiary retreated from his/her business during the period when JICA Tajikistan Office retains the ownership of the items, unless circumstances unmanageable by the beneficiary arose;

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<sup>2</sup> In the cases of applications submitted as a group, the organizational capacity of the group will be carefully assessed in the preliminary screening as well as in the final appraisal.

<sup>3</sup> “Consumables” are items with a unit price up to USD 450 or items with a depreciation period of less than one year.

<sup>4</sup> “Non-consumables” are those materials and equipment of which the unit price is more than USD 450 and that are used repeatedly for a period longer than one year.

- The beneficiaries did not properly operate and maintain the provided equipment; and
- The beneficiary misused the provided items.

## **2.4 Requirements for the business plans**

The applicants must prepare their BPs using the format provided in BIP's "Basics of Business" training manual. The BP must contain adequate information that helps the Appraisal Committee evaluate its impact and feasibility.

The following information should be indicated in the BP:

- Description of the business: Products and services, location of the business, and applicant's past experiences and objectives;
- Marketing plan: Target customers, competitors, prices, and expected revenues;
- Operation plan: Production processes, required tools and equipment, and estimation of raw materials and consumables;
- Management and organization plan: List of employees, wages, and recruitment method; and
- Financial plan: Total fund required for the business and financial sources, and projected cash flow and income statements.

## **3 Implementation plan**

### **3.1 Implementation procedures**

The mini-financing will be disbursed in two batches. Each batch will be implemented through the following steps:

- (1) Solicit for application;
- (2) Register applicants;
- (3) Support applicants in preparing BP (Provide "Basics of Business" training to the applicants);
- (4) Receive applications;
- (5) Conduct preliminary screening;
- (6) Select beneficiaries;
- (7) Procure equipment and materials; and
- (8) Conduct monitoring and consulting.

The implementation method is shown in the table below:

Table 2. Implementation method

No	Steps	Implementation method														
1	Solicit for application	BIP in cooperation with SIBI will disseminate information about the Start-up Mini-Financing Scheme through local TV and newspapers, as well as SIBI’s website and facebook page. Advertisement (posters) will be placed at the district offices as well as places where migrant laborers often visit. Cooperation in solicitation for application will also be requested from the local branches of SCISPM and the Ministry of Labor, Migration and Employment in the target districts.														
2	Register applicants	<p>Field officers will provide people interested in the Start-up Mini-Financing Scheme with the application package that includes the application form, the memorandum of agreement (MOA) form, and the leaflet containing the information about (1) the scheme, (2) the terms and conditions set forth in “<u>2 Terms and conditions</u>” above, (3) the required documents, (4) the selection procedures, and (5) the schedules.</p> <p>Upon the receipt of the documents presented below, field officers register applicants using the format shown in “<u>5.2 Attachment-2: Registry of applicants</u>”:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Documents</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Copy of National ID</td> </tr> <tr> <td>2</td> <td>Certificate of residence issued by the local governments in the place of residence</td> </tr> <tr> <td>3</td> <td>The following documents that show the applicant’s eligibility to apply for the Start-up Mini-Financing Scheme:</td> </tr> <tr> <td></td> <td> <table border="1"> <thead> <tr> <th><i>(Returned migrant laborers)</i></th> <th><i>(People who could not immigrate due to the closure of the borders)</i></th> </tr> </thead> <tbody> <tr> <td>A copy of passport (pages with the personal information and the immigration stamps put at the time of the applicant’s disembarkation and embarkation)</td> <td>           Either one of the following documents:           <ul style="list-style-type: none"> <li>• A copy of the permission to work abroad, issued by the Ministry of Labor, Migration and Employment (Migration Center?);</li> <li>• A letter of acceptance issued by the foreign entity that was planning to employ the applicant;</li> <li>• A copy of the passport page with the visa of the country of destination; and</li> </ul> </td> </tr> </tbody> </table> </td> </tr> </tbody> </table>	No	Documents	1	Copy of National ID	2	Certificate of residence issued by the local governments in the place of residence	3	The following documents that show the applicant’s eligibility to apply for the Start-up Mini-Financing Scheme:		<table border="1"> <thead> <tr> <th><i>(Returned migrant laborers)</i></th> <th><i>(People who could not immigrate due to the closure of the borders)</i></th> </tr> </thead> <tbody> <tr> <td>A copy of passport (pages with the personal information and the immigration stamps put at the time of the applicant’s disembarkation and embarkation)</td> <td>           Either one of the following documents:           <ul style="list-style-type: none"> <li>• A copy of the permission to work abroad, issued by the Ministry of Labor, Migration and Employment (Migration Center?);</li> <li>• A letter of acceptance issued by the foreign entity that was planning to employ the applicant;</li> <li>• A copy of the passport page with the visa of the country of destination; and</li> </ul> </td> </tr> </tbody> </table>	<i>(Returned migrant laborers)</i>	<i>(People who could not immigrate due to the closure of the borders)</i>	A copy of passport (pages with the personal information and the immigration stamps put at the time of the applicant’s disembarkation and embarkation)	Either one of the following documents: <ul style="list-style-type: none"> <li>• A copy of the permission to work abroad, issued by the Ministry of Labor, Migration and Employment (Migration Center?);</li> <li>• A letter of acceptance issued by the foreign entity that was planning to employ the applicant;</li> <li>• A copy of the passport page with the visa of the country of destination; and</li> </ul>
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		<table border="1"> <tr> <td></td> <td> <ul style="list-style-type: none"> <li>• A copy of the itinerary or airplane ticket ordered or purchased before the closure of the borders.</li> </ul> </td> </tr> </table> <p>Note: In the cases of applications by group, each member must submit the documents shown in the table above.</p> <p>As the applicants are required to attend “Basics of Business” training,<sup>5</sup> the filled registry forms will be shared with the SIBI’s coordinators so that they can plan the training.</p>		<ul style="list-style-type: none"> <li>• A copy of the itinerary or airplane ticket ordered or purchased before the closure of the borders.</li> </ul>
	<ul style="list-style-type: none"> <li>• A copy of the itinerary or airplane ticket ordered or purchased before the closure of the borders.</li> </ul>			
3	Support applicants in preparing BPs	<p>Khujand and Kulyab business incubators will provide the applicants with “Basics of Business” training, during which the applicants will prepare their BPs.</p> <p>Upon the receipt of the information about the registered applicants, the SIBI’s coordinators will recruit the trainers and prepare the schedules of “Basics of Business” training. The trainers will be first selected from SIBI’s local staff; external trainers will be sought when there is no suitable person available in the business incubators (BIP will pay the remunerations for trainers). A session of the Basics of Business training will be organized for up to 10 people. At the end of each training session, the trainer must assess the applicants’ attitude and the quality of the BPs prepared during the training, and submit the results to the field officer through SIBI’s coordinator.</p> <p>The results of the assessment must be submitted in the format presented in “<a href="#">5.3. Attachment-3: Training evaluation sheet</a>.” The field officers will then summarize the assessment results in the format shown in “<a href="#">5.4 Attachment-4: Record of provided training</a>.” When BPs are found to be viable and in need of elaboration, field officers will support the beneficiaries in completing their BPs.</p>		
4	Receive applications	<p>The applicants are required to submit to field officers their applications along with the business plans within two weeks after the completion of “Basics of Business” training. The application form is shown in “<a href="#">5.1 Attachment-1: Application form</a>.”</p> <p>Upon the receipt of the application and the BP, the field officers will make sure that the documents for the applicant’s eligibility were also received, check their validity, and register the application in the format shown “<a href="#">5.5 Attachment-5: List of applications</a>.” Immediately after the registration, the field officers will transfer the received applications and business plans to the project officer for his/her review.</p>		
5	Conduct preliminary screening	<p>The preliminary screening will be conducted through the steps of document review and field assessment.</p> <p>With the support of the field officers, the project officer will conduct the document review. The purpose of the</p>		

<sup>5</sup> Should the Appraisal Committee find it necessary, applicants will be offered an incubation service.

		<p>document review is to verify the applicant’s eligibility and attendance/attitude at the BoB training as well as to identify the items in his/her BP that need further clarification. Applicants whose eligibility is not confirmed or whose BPs do not meet the requirements set forth in “<u>2.4 Requirements for the business plans</u>” are not qualified to proceed to the field assessment (the 2<sup>nd</sup> stage of the preliminary screening).</p> <p>Under the supervision of the project officer, field officers conduct the field assessment. During the field assessment, main items in the BP will be clarified. In particular, the following items will be examined (for details, see “<u>5.6 Attachment-6: Preliminary Screening Sheet</u>”):</p> <ul style="list-style-type: none"> <li>• Applicant’s (and his/her employees’) experience and technical skills required for the business;</li> <li>• Rationality of the estimations of tools, equipment, and materials required for the applicant’s business;</li> <li>• Available tools, equipment and materials (other than those requested to the scheme), and the applicant’s ability to procure the rest of required materials; and</li> <li>• Availability and physical condition of the facility for storing and/or using the equipment and materials to be provided.</li> </ul> <p>During the field assessment, field officers should take photos of equipment, materials, sites and facilities at the applicants’ disposal.</p> <p>The results of the document review and field assessment will be summarized in the format presented in “<u>5.6 Attachment-6: Preliminary Screening Sheet</u>,” and submitted to the Appraisal Committee along with the application documents.</p>								
6	Select beneficiaries	<p>The Appraisal Committee will select the beneficiaries among eligible applicants. The committee will evaluate the proposed business’ expected impact and feasibility based on the information presented in the application, the BP, and the results of the preliminary screening. The following scoring method will be used in the evaluation.</p> <table border="1" data-bbox="633 1070 1953 1337"> <thead> <tr> <th data-bbox="633 1070 701 1155">No</th> <th data-bbox="701 1070 891 1155">Items to evaluate</th> <th data-bbox="891 1070 1205 1155">Indicators</th> <th data-bbox="1205 1070 1953 1155">Evaluation method</th> </tr> </thead> <tbody> <tr> <td data-bbox="633 1155 701 1337">1</td> <td data-bbox="701 1155 891 1337">Impact (30 points)</td> <td data-bbox="891 1155 1205 1337">           1-1. Generation of new employment             1-2. Increase in the         </td> <td data-bbox="1205 1155 1953 1337">           1-1. 15 points will be given if the preliminary screening confirms the possibility of a new employment. Otherwise, no points will be provided.             1-2. This item will be confirmed by comparing the estimated total salary expense in the BP with the current total salary         </td> </tr> </tbody> </table>	No	Items to evaluate	Indicators	Evaluation method	1	Impact (30 points)	1-1. Generation of new employment  1-2. Increase in the	1-1. 15 points will be given if the preliminary screening confirms the possibility of a new employment. Otherwise, no points will be provided.  1-2. This item will be confirmed by comparing the estimated total salary expense in the BP with the current total salary
No	Items to evaluate	Indicators	Evaluation method							
1	Impact (30 points)	1-1. Generation of new employment  1-2. Increase in the	1-1. 15 points will be given if the preliminary screening confirms the possibility of a new employment. Otherwise, no points will be provided.  1-2. This item will be confirmed by comparing the estimated total salary expense in the BP with the current total salary							

			salary expenses	expense indicated in the application. Depending on the amount of the difference, up to 15 points will be given. If the total salary expense is expected to increase by more than _____ TJS, the full score (15 points) will be given.
		2	<p>Technical feasibility (35 points)</p> <p>2-1. Applicant's experience and technical skills</p> <p>2-2. Ability to procure required tools, equipment and materials other than those requested to the Start-up Mini-financing scheme</p>	<p>2-1. Comparison of the applicant's past experiences and technical skills with the skills required for the business. The information obtained through the field assessment will be used. The employee's technical skills will also be taken into consideration. Up to 15 points will be given.</p> <p>2-2. This item will be confirmed from the results of the preliminary screening. Up to 20 points will be given.</p>
		3	<p>Financial feasibility (35 points)</p> <p>3-1. Expected net profit</p> <p>3-2. Differentiation and sales potential of the product/service</p>	<p>3-1. This item will be confirmed from the projected income statement presented in the BP. Up to 20 points will be given. If the share of the profit exceeds 20% of the sales revenue, the full score (20) will be given.</p> <p>3-2. This item will be confirmed from the contents of the BP. Up to 15 points will be given.</p>
		Total score=up to 100.		
<p>For each BP, the overall average of the total scores given by the committee members will be obtained using the format of “<u>5.7 Attachment-7: Score sheet</u>”. For each of the two batches, beneficiaries rated top 200 will qualify for the provision of the requested items. The results will be notified to all applicants. The selected beneficiaries are requested to sign the MOA on Start-up Mini-Financing (see “<u>5.8 Attachment-8: Memorandum of Agreement</u>”).</p> <p>BPs prepared for the business areas shown in “<u>5.10 Attachment-10: Priority business areas (Provisional)</u>” will be given a priority; however, other business areas are also acceptable as long as their feasibility or effectiveness is</p>				



		acknowledged by the Appraisal Committee. Priority is also given to the businesses that involve women as workers or direct beneficiaries.
7	Procure equipment and materials	<p>Together with the beneficiaries (or their representatives), field officers will decide the procurement schedule and terms of delivery, survey market prices, identify the suppliers who offer the best prices, and procure the equipment and materials. At the time of procurement, the beneficiaries (or their representatives) must verify the specifications and quantity of the items as well as inspect their physical conditions and functionality. The field officers can conduct the procurement without the presence of beneficiaries (or their representatives) based on their consent.</p> <p>The payment to the supplier will be made by either the project officer or the field officer. The beneficiaries will transport the purchased items at their costs.</p> <p>If there are items that can only be purchased in Dushanbe, the project officer will procure such items and organize the delivery after collecting the transportation costs from the beneficiaries.</p> <p>The project officer / field officers must submit to BIP the following documents after the procurement:</p> <ul style="list-style-type: none"> <li>• Receipt</li> <li>• Acceptance note signed by the beneficiary (the format is shown in “<a href="#">5.9 Attachment-9: Acceptance note (format)</a>”)</li> <li>• MOA on Start-up Mini-Financing signed by the beneficiary</li> </ul>
8	Conduct monitoring and consulting	Under the supervision of the project officer, the field officers will monitor the supported businesses and provide advice to the beneficiaries. If necessary, consulting or mentoring service will be provided to the beneficiaries in cooperation with the Khujand and Kulyab business incubators.

### 3.2 Schedule (Provisional)

The mini-financing will be disbursed to the beneficiaries in two batches: the 1<sup>st</sup> batch in May and the 2<sup>nd</sup> batch in November 2021. A provisional schedule is shown in the figure below:

No	Tasks	2020			2021													
		10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	
0	Preparations and arrangements	■	■	■														
1	Solicit for application		■	■						■	■							
2	Register participants			■	■						■	■						
3	Support applicants in preparing business plans				■	■	■	■	■			■	■	■	■			
4	Receive applications				■	■	■	■	■			■	■	■	■			
5	Conduct preliminary screening				■	■	■	■	■			■	■	■	■			
6	Select beneficiaries							■	■	■	■			■	■	■		
7	Procure equipment and materials								■	■	■	■				■	■	■
8	Conduct monitoring and consulting										■	■	■	■	■	■	■	■

Figure 1. Schedule

## 4 Preparations

The following tasks should be completed before the beginning of the activities explained in Table 2:

- Preparation of a poster and a flyer/leaflet for application;
- Preparation of a questionnaire for monitoring; and
- Identification and training of trainers.

## 5 Attachments

### 5.1 Attachment-1: Application form

#### Application for mini-financing

(For official use): Serial No.: \_\_\_\_\_ Date of receipt: \_\_\_\_\_

#### Declaration:

I hereby certify that I understood the terms and conditions of the Start-up Mini-financing scheme including the prohibition of using the items to be provided under the scheme for any purposes except as indicated in this application.

All information furnished below is true and the representatives authorized by BIP may, at any time, verify the information by any means. I will also provide additional information upon request by BIP.

#### 1. Information about the applicant

1-1. Category of the applicant (circle)

- a. Individual                      b. Group

1-2. Personal information of the applicant or the leader of the group:

1). Name: \_\_\_\_\_

2). Gender (circle):    a. Male            b. Female

3). Date of birth:    Day: \_\_\_\_\_ Month: \_\_\_\_\_ Year: \_\_\_\_\_

4). Education: \_\_\_\_\_

5). Current employment: \_\_\_\_\_

6). Address: \_\_\_\_\_

\_\_\_\_\_

7). Contact address:                      Tel. No.: \_\_\_\_\_

e-mail address: \_\_\_\_\_

1-3. Members of the group (if the application is submitted as a group):

No	Name	Gender	Address	Tel. No

**2. Outline of the business to be supported**

2-1. Classification of the business (circle):

- a. New business      b. Existing business

2-2. Description and location of the business:

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2-4. Details of the current business (for applicants selected “b” under “2-1” above)

a. Date of establishment:      Day: \_\_\_\_\_ Month: \_\_\_\_\_ Year: \_\_\_\_\_

b. Legal status: \_\_\_\_\_

c. Number of employees: \_\_\_\_\_ persons

d. Annual salary expense (most recent): \_\_\_\_\_ TJS

e. Annual sales revenue (most recent): \_\_\_\_\_ TJS

**3. Materials requested to the scheme**

**a. Tools and equipment** (Specify brand, specification, quantity, unit price and purpose of utilization):

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**b. Materials and consumables** (Specify brand, specification, quantity, unit price and purpose of utilization):

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Signature of the applicant: \_\_\_\_\_

Date: \_\_\_\_\_

5.2 Attachment-2: Registry of applicants

# Registry of applicants

BIP: Start-up Mini-financing Scheme  
Target district: \_\_\_\_\_

Batch No.: \_\_\_\_\_

No	Date	Full name	Gender (M / F)	Address	Tel No. / Email address	Contents of briefing (tick)					Signature of applicant
						Information about the scheme	Terms and conditions	Application documents	Selection procedure	Schedules	
1											
2											
3											
4											
5											
6											

Registered by: \_\_\_\_\_ (Signature) \_\_\_\_\_, (Name)

**5.3 Attachment-3: Training evaluation sheet (to be filled by trainer)**

Target district: \_\_\_\_\_

Business Incubator in charge: \_\_\_\_\_

Training Serial No.: \_\_\_\_\_

**Training evaluation sheet**

Date: \_\_\_\_\_

**A. Name of trainee:**

\_\_\_\_\_

**B. Provided training:**

1. Venue (circle):

a. Business Incubator

b. Other (Specify): \_\_\_\_\_

\_\_\_\_\_

2. Duration of training: \_\_\_\_\_ days (From \_\_(*date*)\_\_ To \_\_(*date*)\_\_)

Total hours: \_\_\_\_\_ hours

**C. Evaluation of trainee:**

1. Attendance:

a. Attended hours: \_\_\_\_\_ hours

b. Attendance rate: \_\_\_\_\_ %

2. Attitude: \_\_\_\_\_

\_\_\_\_\_

3. Overall evaluation: \_\_\_\_\_ (Good/Moderate/Bad)

Remarks: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**D. Evaluation of the business plan (at the end of the training)**

Overall evaluation: \_\_\_\_\_ (Good/Moderate/Bad)

Remarks/Elaboration needed: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Filled by: \_\_\_(*signature*)\_\_\_ (*Name of the trainer*)

5.4 Attachment-4: Record of provided training

# Record of provided training

**BIP: Start-up Mini-financing Scheme**

Target district: \_\_\_\_\_

Business incubator in charge: \_\_\_\_\_

Venue: \_\_\_\_\_

Name of trainer: \_\_\_\_\_

Training Serial No.: \_\_\_\_\_

Date of provision: Started \_\_\_\_\_ (date) \_\_\_\_\_ Ended \_\_\_\_\_ (date) \_\_\_\_\_

No	Name of trainee	Planned hours	Attended hours	Attendance rate (%)	Overall evaluation of applicant's attitude and the quality of the business plan

Filled by: \_\_\_\_\_ (Signature) \_\_\_\_\_, (Name)

5.5 Attachment-5: List of applications

# List of applications

**BIP: Start-up Mini-financing Scheme**

Target district: \_\_\_\_\_

Batch No.: \_\_\_\_\_

No	Received date	Applic ation serial No. <sup>6</sup>	Name of applicant	Training No. (attended training)	Documents received (tick)						Remark
					Application	Business plan	Copy of National ID	Certificate of residence	Evidence for eligibility		
										(Specify the document)	

Registered by: \_\_\_\_\_(Signature)\_\_\_\_\_, (Name)

<sup>6</sup> Application Serial No. is the combination of the Batch No., the initial letter in the name of target district, and the received order of the application. The received order of applications starts from “1” in each of the two batches.



**5.6 Attachment-6: Preliminary Screening Sheet (to be filled by Field Officer)**

<b>Preliminary Screening Sheet</b>		
Application serial No.: _____		Date: _____
<b>1. General information</b>		
1-1 Target district		
1-2 Number of applicants		
1-3 Name of applicant/leader of group		
1-4 Business area		
1-5 Business name		
1-6 Products and services		
<b>2. Eligibility of the applicant(s)</b>		
Requirements	Results of the review	
2-1 Be a resident of the target district		
2-2 Be a returned migrant laborer (person who could not immigrate due to COVID-19 are included)		
2-3 Attend the BoB training		
Conclusion: _____		
Number of eligible applicants: _____ persons		
<b>3. Field assessment</b>		
3-1. Names and positions of the Interviewees		
3-2. Mode of Assessment	A. Site visit	B. Face to face interview
	C. Telephone interview	D. Others
	Reasons if a site visit is not conducted:	
3-3 Condition of place/facility to operate		
Ownership	A. Applicant	B. Applicant's relatives
	C. Rented property	D. Others

	Terms and conditions for utilization of the facility (If the property does not belong to the applicant):	
Infrastructure (road and public utility [electricity, water, gray water, and gas])	A. Sufficient	B. Will surely be made sufficient
	C. Not sufficient	D. Difficult to assess
	Reasons/Comments:	
3-4. Condition of facility for storing the equipment and materials to be provided		
Ownership	A. Applicant	B. Applicant's relatives
	C. Rented property	D. Others
	Terms and conditions for utilization of the facility (If the property does not belong to the applicant):	
Physical condition	A. Sufficient	B. Will surely be made sufficient
	C. Not sufficient	D. Difficult to assess
	Reasons/Comments	
Security	A. Sufficient	B. Will surely be made sufficient
	C. Not sufficient	D. Difficult to assess
	Reasons/Comments	
3-5 Ability to procure required inputs other than what is provided by the Start-up Mini-financing scheme		
Availability of required tools and equipment	A. Sufficient	B. Will surely be made sufficient
	C. Not sufficient	D. Difficult to assess
	Reasons/Comments and Financial sources:	
Availability of raw materials and consumables	A. Sufficient	B. Will surely be made sufficient
	C. Not sufficient	D. Difficult to assess
	Reasons/Comments and Financial sources:	
Applicant's financial capability (revenues, savings, etc.) to procure the rest of materials	A. Looks high	B. Looks moderate
	C. Looks low	D. Difficult to assess
	Reasons/Comments:	
3-6 Experience and skills		

Applicant's business experience	A. Looks high	B. Looks moderate
	C. Looks low	D. Difficult to assess
	Reasons/Comments:	
Applicant's (employees') technical capability to supply quality products/services and to operate the requested equipment	A. Looks high	B. Looks moderate
	C. Looks low	D. Difficult to assess
	Reasons/Comments:	

Remarks:

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**3. Photos:**

Photo1. _____	Photo2. _____
Photo3. _____	Photo4. _____

Photo5. _____	Photo6. _____
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**4. Conclusion of the Field Assessment**

A.	The application is recommended.
B.	The application is not recommended.

Project Officer: \_\_\_\_\_

Field Officer \_\_\_\_\_

Signature \_\_\_\_\_

Signature \_\_\_\_\_

5.7 Attachment-7: Score sheet

# Score sheet

Batch No.: \_\_\_\_\_ Date of appraisal: \_\_\_\_\_

Target district: \_\_\_\_\_

Application serial No.: \_\_\_\_\_

Name of applicant: \_\_\_\_\_

Business area: \_\_\_\_\_

Business: \_\_\_\_\_

Category	Indicators	Max score	Scores given by the committee members				Overall average
			Member1	Member2	Member3	Member4	
1. Impact	1-1 Generation of new employment	15	15	15	15	15	15.00
	1-2 Increase in the salary expenses	15	8	9	6	9	8.00
	<b>Subtotal</b>	<b>30</b>	<b>23</b>	<b>24</b>	<b>21</b>	<b>24</b>	<b>23.00</b>
2. Feasibility	2-1 Applicant's experience and technical skills	15	10	9	11	8	9.50
	2-2 Ability to procure required tools, equipment and materials other than those requested to the scheme	20	15	17	18	17	16.75
	<b>Subtotal</b>	<b>35</b>	<b>25</b>	<b>26</b>	<b>29</b>	<b>25</b>	<b>26.25</b>
3. Sustainability	3-1 Expected net profit	20	15	16	15	14	15.00
	3-2 Differentiation and sales potential of the product/service	15	12	10	11	10	10.75
	<b>Subtotal</b>	<b>35</b>	<b>27</b>	<b>26</b>	<b>26</b>	<b>24</b>	<b>25.75</b>
<b>Total</b>		<b>100</b>	<b>75</b>	<b>76</b>	<b>76</b>	<b>73</b>	<b>75.00</b>

Overall Score	75.00
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## 5.8 Attachment-8: Memorandum of Agreement

### Memorandum of Agreement on Start-up Mini-Financing

Application Serial No.: \_\_\_\_\_

This Memorandum of Agreement (hereinafter referred to as “MOA”) is signed by Business Incubation Project financed by JICA (hereinafter called “Financier”) and

\_\_\_\_\_ (full name) with the National ID No. \_\_\_\_\_ (hereinafter called “Beneficiary”), which states their mutual agreement on the terms and conditions for the equipment and materials to be lent to the Beneficiary under the Financier’s Start-up Mini-Financing Scheme.

#### 1. Purpose

The purpose of Start-up Mini-Financing is to support the Beneficiary in starting or expanding his/her business with the provision of equipment and materials. The equipment and materials are not for resale or to be transferred to a third party. The Beneficiary must use them solely for improving and implementing the production and delivery of his/her goods/services.

#### 2. Equipment and materials to be provided

The Financier will provide the Beneficiary with the equipment and materials equivalent to the total of \_\_\_\_\_ TJS ( \_\_\_\_\_ *[spell out the amount]* \_\_\_\_\_ Tajikistan Somoni). The details of the equipment and materials are shown in the attachment “Equipment and materials to be provided” (hereinafter referred to as “the items” or “the provided items”).

#### 3. Procurement

The Financier, together with the Beneficiary, will procure the items following the schedule presented in the attachment “Equipment and materials to be provided.” At the time of procurement, the Beneficiary must verify the specifications and quantity of the items as well as inspect their physical conditions and functionality. The costs for the items will be borne by the Financier while the transportation costs will be borne by the Beneficiary.

#### 4. Ownership

JICA Tajikistan Office will retain the ownership of the provided items until they are fully depreciated. The depreciation period for each item is presented in the attachment “Equipment and materials to be provided”. Upon the completion of the depreciation period, the ownership will be transferred to the Beneficiary.

#### 5. Conditions for utilization of provided items

The following conditions will apply to the utilization of the provided items:

- 5-1. The Beneficiary must keep the provided items in good condition by maintaining them properly; and
- 5-2. The items must be returned or an equivalent amount of money be repaid to JICA Tajikistan Office in the case of the following circumstances:
  - The Beneficiary retreats from his/her business before the end of the period indicated in “**6. Covered period**” unless circumstances unmanageable by the Beneficiary arise;
  - The Beneficiary does not properly operate or maintain the provided equipment; and

- The Beneficiary sold or transferred the provided items to a third party.

**6. Covered period**

This MOA becomes effective upon the signing by the parties and remains effective for one year. At the end of this period, the Financier will extend the period if the Beneficiary does not breach the conditions set forth in “**5. Conditions for utilization of provided items**.” The extension of the period will become valid with a written agreement signed by the parties and remains effective until the end of the depreciation periods of the provided items.

**7. Attachments**

- Equipment and materials to be provided

Date: \_\_\_\_\_

**Financier’s representative:**

(Signature)

**Beneficiary:**

(Signature)

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Position: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Tel No.: \_\_\_\_\_

Tel No.: \_\_\_\_\_

(Attachment)

**Equipment and Materials to be provided**

Application Serial No.: \_\_\_\_\_

Total value of the items: \_\_\_\_\_ TJS

Details of the equipment and materials:

Category "Tools" / "Equipment" / "Materials")	Items	Brand/Model	Specifications	Depreciation period (years)	Quantity	Price (TJS/unit)	Amount (TJS)

Procurement Schedule: From: \_\_\_(date)\_\_\_ To: \_\_\_(date)\_\_\_

Remark:

\_\_\_\_\_

\_\_\_\_\_



**5.9 Attachment-9: Acceptance note (format)**

**Acceptance Note**

Application Serial No.: \_\_\_\_\_

Date of acceptance: \_\_\_\_\_

I, \_\_\_\_ (full name of the Beneficiary)\_\_\_\_, hereby certify that I have inspected the specification, quality/physical conditions and functionality of the equipment and materials listed below and verified that they were in good condition and worked properly. I acknowledge the acceptance of the equipment and materials.

Equipment and materials accepted:

No	Items	Brand/Model	Specifications / Serial No	Quantity	Unit price (TJS/unit)	Amount (TJS)

Handed over by (BIP's representative):

Beneficiary:

(Signature) \_\_\_\_\_

(Signature) \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

### 5.10 Attachment-10: Priority business areas (Provisional)

Business areas	Examples of businesses
Agriculture	<ul style="list-style-type: none"><li>• Leasing of irrigation equipment (pipes, pumps, generators, etc.)</li><li>• Cultivation with plastic tunnels</li><li>• Drilling and construction of wells for the purposes of agriculture or animal husbandry (possibly in partnership with TVET)</li><li>• Leasing, installation and maintenance of micro hydro power plants</li><li>• Sericulture</li><li>• Production of fruit juice and jam</li></ul>
Animal husbandry	<ul style="list-style-type: none"><li>• Production of fodder (including hay)</li><li>• Provision of artificial insemination and veterinary services</li></ul>
Construction	<ul style="list-style-type: none"><li>• Carpentry, manufacturing of wood or metal furniture (possibly in partnership with TVET)</li><li>• Installation and maintenance of solar panels (possibly in partnership with TVET)</li></ul>
Services	<ul style="list-style-type: none"><li>• Beauty salons</li><li>• Rental of materials for wedding ceremonies</li><li>• Transportation of drinking water</li></ul>
Transport	<ul style="list-style-type: none"><li>• Truck transportation utilizing ICT</li></ul>
Tourism	<ul style="list-style-type: none"><li>• Networking for ecotourism and package tours</li></ul>

**Annex 8 Memorandum of Agreement on Start-up  
Mini-Financing**

## Memorandum of Agreement on Start-up Mini-Financing

Application Serial No.: \_\_\_\_\_

This Memorandum of Agreement (hereinafter referred to as “MOA”) is signed by Business Incubation Project financed by JICA (hereinafter called “Financier”) and

\_\_\_\_\_ (full name) with the National ID No. \_\_\_\_\_ (hereinafter called “Beneficiary”), which states their mutual agreement on the terms and conditions for the equipment and materials to be lent to the Beneficiary under the Financier’s Start-up Mini-Financing Scheme.

### (1) Purpose

The purpose of Start-up Mini-Financing is to support the Beneficiary in starting or expanding his/her business with the provision of equipment and materials. The equipment and materials are not for resale or to be transferred to a third party. The Beneficiary must use them solely for improving and implementing the production and delivery of his/her goods/services.

### (2) Equipment and materials to be provided

The Financier will provide the Beneficiary with the equipment and materials equivalent to the total of \_\_\_\_\_ TJS ( \_\_\_\_\_ *[spell out the amount]* Tajikistan Somoni). The details of the equipment and materials are shown in the attachment “Equipment and materials to be provided” (hereinafter referred to as “the items” or “the provided items”).

### (3) Procurement

The Financier, together with the Beneficiary, will procure the items following the schedule presented in the attachment “Equipment and materials to be provided.” At the time of procurement, the Beneficiary must verify the specifications and quantity of the items as well as inspect their physical conditions and functionality. The costs for the items will be borne by the Financier while the transportation costs will be borne by the Beneficiary.

### (4) Ownership

JICA Tajikistan Office will retain the ownership of the provided items until they are fully depreciated. The depreciation period for each item is presented in the attachment “Equipment and materials to be provided”. Upon the completion of the depreciation period, the ownership will be transferred to the Beneficiary.

### (5) Conditions for utilization of provided items

The following conditions will apply to the utilization of the provided items:

5-1. The Beneficiary must keep the provided items in good condition by maintaining them properly; and

5-2. The items must be returned or an equivalent amount of money be repaid to JICA Tajikistan Office in the case of the following circumstances:

- The Beneficiary retreats from his/her business before the end of the period indicated in “(6) Covered period” unless circumstances unmanageable by the Beneficiary arise;
- The Beneficiary does not properly operate or maintain the provided equipment; and
- The Beneficiary sold or transferred the provided items to a third party.

**(6) Covered period**

This MOA becomes effective upon the signing by the parties and remains effective for one year. At the end of this period, the Financier will extend the period if the Beneficiary does not commit any breaches of the conditions set forth in “(5) Conditions for utilization of provided items .” The extension of the period will become valid with a written agreement signed by the parties and remains effective until the end of the depreciation periods of the provided items, or terminated based on Article 5-2 under the section “(5) Conditions for utilization of provided items.”

**(7) Attachments**

- Equipment and materials to be provided

Date: \_\_\_\_\_

**Financier’s representative:**

**Beneficiary:**

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Position: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Tel No.:

Tel No.:

(Attachment)

**Equipment and Materials to be provided**

Application Serial No.: \_\_\_\_\_

Total value of the items: \_\_\_\_\_ TJS

Details of the equipment and materials:

No	Category ("Tools" / "Equipment" / "Materials")	Items	Brand/Model	Specifications	Depreciation period (years)	Quantity	Price (TJS/unit)	Amount (TJS)

Procurement Schedule: From: \_\_\_(date)\_\_\_ To: \_\_\_(date)\_\_\_

Remark: \_\_\_\_\_  
\_\_\_\_\_

Agreed by:

**Financier's representative:**

**Beneficiary:**

(signature)

(signature)

Name: \_\_\_\_\_ Position: \_\_\_\_\_

Name: \_\_\_\_\_

## **Annex 9 Monitoring Questionnaire for Mini-Finance**

**QUESTIONNAIRE FOR MONITORING  
(START-UP MINI-FINANCING SCHEME)**

1. District: \_\_\_\_\_
2. Application serial No: \_\_\_\_\_
3. Beneficiary (full name): \_\_\_\_\_
4. Date of monitoring: \_\_\_\_\_
5. Covered period: From \_\_\_\_\_ To \_\_\_\_\_

**6. Results of the monitoring**

**6-1 Equipment and materials provided:**

(1) Current condition of the equipment and materials:

No	Items*	Quantity		Physical condition (new / good / poor)	Functionality (functional / non-functional)	Status of utilization (In-use / Not in-use)
		Provided*	Available			

\*: The information will be taken from the relevant acceptance note beforehand.

(2) Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

(3) Instructions given (if any): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**6-2 Beneficiary's business**

(1) Current status

1. Human resource	A. Sufficient	B. Will surely be made sufficient
	C. Not sufficient	D. Other
	Reasons/Comments:	
2. Raw materials and consumables	A. Sufficient	B. Will surely be made sufficient
	C. Not sufficient	D. Other



	Reasons/Comments:	
3. Equipment and assets	A. Sufficient	B. Will surely be made sufficient
	C. Not sufficient	D. Other
	Reasons/Comments:	
4. Production and operation	A. On schedule	B. Will surely be on schedule
	C. Behind schedule	D. Difficult to assess
	Reasons/Comments:	
5. Achievement of the sales target	A. Achieved	B. Will surely be achieved
	C. Not achieve or will not be achieved	D. Difficult to assess
	Reasons/Comments:	

(2) Please specify if and how BIP can improve the current status of your business and the provided equipment and materials:

*None      Technical service      Funding      Consulting/Mentoring      Other:*

---



---



---

(3) Observations: \_\_\_\_\_

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**6-3 Conclusions and recommendations**

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---

Monitoring conducted by:

Signature: \_\_\_\_\_  
 Full name: \_\_\_\_\_  
 Position: \_\_\_\_\_

Photos

Photo1. _____	Photo2. _____
Photo3. _____	Photo4. _____

## **Annex 10 Guidelines for Implementation of the Leasing Scheme**

# Guideline for Implementation of Leasing Scheme

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# 1 Outline

## 1.1 Objective

This leasing scheme is a pilot project to be implemented under the Business Incubation Project for the purposes of (1) testing the validity of a revolving fund for leasing to be utilized to support entrepreneurs in purchasing equipment, and (2) creating employment for Tajik migrant laborers who were forced to return from Russia or other countries as well as people who could not migrate due to the COVID-19 outbreak (they will be called as “migrants” or “migrant laborers” in this guideline).

This guideline sets forth the basic principles and procedures for implementing the leasing scheme described in “1.3 Description of the scheme” below. It also determines tasks to be carried out, the implementation methods of the tasks, and the responsibilities of the involved parties and provides the formats and templates to be used in performing each of the tasks.

## 1.2 Definitions of the terms

The terms used in this guideline are defined as below:

**Lease:** Financial and economic activities carried out under a contract signed between two parties wherein one party (the lessor) provides an asset for use to the other party (the lessee) for a specified period in return for specified payment.

**Finance lease:** A type of lease that allows the lessor to retain the ownership of an asset while transferring to the lessee the costs and benefits resulting from the use of the asset. The ownership of the asset is transferred to the lessee: (1) after the lessee completes the payment of the entire value of the asset as well as the interest charged by the lessor, and (2) after the completion of the standard economic life of the asset.

**Lease period:** The period specified in the lease contract, which is the standard economic life of the asset, during which the lessor recovers both the cost of the leased asset and interests charged to the lessee for the use of the asset.

**Installment:** An amount of the lease payment that the lessee pays to the lessor in accordance with the terms and conditions specified in the lease contract. Each installment consists of two parts: the asset value (principal) to be recovered for the concerned period and a return charged on the outstanding principal (interest).

**Initial balance of outstanding principal:** The balance between the total value of the leased items and the down payment made by the lessee.

## 1.3 Description of the scheme

### (1) General description

BIP will set up a revolving fund for leasing within Tajikagroleasing (TAL), from which machines and equipment will be purchased and leased to entrepreneurs who meet the requirements specified in “(3) Target beneficiaries and their eligibility” below and apply for the scheme following the instructions set forth under “3. Receive applications” of Table 2.

The Appraisal Committee indicated in “(5) Implementation structure” below will select the lessees from eligible applicants based on their application documents and on the business plan created through RuralInvest. The lessees must either employ migrant laborers, provide agricultural machine services to migrant laborers utilizing leased equipment/machinery or be migrant laborers themselves. A total of 80 migrants will be supported or employed over the period of this pilot project.

The machines and equipment should be, in principle, chosen from the Attachment-10 “List of Equipment/Machines”. The BIP, in collaboration with TAL, will purchase the machines and equipment from the supplier(s) agreed on by the lessee, then the ownership of the machines and equipment will be transferred to TAL. The ownership of the leased machines and equipment will be transferred to the lessees after the completion of both (1) the payment by the lessees and (2) the statutory economic life of the equipment.

In conjunction with the implementation of lease, BIP will provide “Basics of Business” training to the applicants of lease. Incubation services (consulting services and mentoring services) can also be provided upon necessity.

## **(2) Target areas**

The leasing will be provided to entrepreneurs who implement their businesses in any of the target districts for BIP (Dushanbe, Asht, Kanibadam, Rasht, Vahdat, Huroson, Kulyab, Hamadoni and Vose).

## **(3) Target beneficiaries and their eligibility**

Two types of beneficiaries – direct and indirect – will benefit from the leasing scheme. Direct beneficiaries are the lessees while indirect beneficiaries are the migrant laborers (1) who will be employed by the lessees, or (2) who will benefit from agricultural machine services provided by the lessees.

To become a lessee, applicants must meet the following requirements:

- Planning or running a business in the areas specified in “(2) Target areas” above;
- Having an experience of running an agriculture-related business either as a Dehkan farm, an individual entrepreneur under a patent or certificate, or as a legal entity;
- Accepting the conditions set forth under the section “2 Terms and conditions” below; and
- Being a migrant labourer, or willing to employ migrants or to provide agricultural machine services to migrants (the total value of the machines and equipment to be leased will correspond to the number of migrants to be employed and/or receive agricultural machine services).

To be qualified as “migrant” for the above set condition, the migrant must meet the following conditions:

- Being a resident of one of the target areas; and either
- Worked abroad and returned to Tajikistan after 1 July 2019; or
- Obtained, after 1 Jan 2020, the permission to work abroad but migration was suspended.

## **(4) Revolving fund**

The total budget for the leasing scheme is JPY 20,000,000 (equivalent to USD 180,000), from which BIP will purchase the machines and equipment to be leased to the lessees of the initial batch of leasing.

The repayment by the lessees, which consists of the principal and interests, is made to a bank account of TAL. The principals of the payments constitute a revolving fund, which will be used only for purchasing machines and equipment to be leased under the scheme. When TAL intends to withdraw the principals, a prior written approval by JICA must be obtained. TAL is allowed to use, for its administration expenses, the interests paid by the lessees as well as the interest accrued on the bank account.

The TAL’s accounting officer will report to TAL/BIP the status of the fund every quarter.

**(5) Implementation structure**

The implementation structure of the pilot project is the following:

- (a) BIP will work together with TAL in implementing the activities of the pilot project in the field;
- (b) An Appraisal Committee chaired by the representative from SCISPM will determine the lessees. The following members will form the committee:
  - Chairperson: representative from SCISPM;
  - Deputy chairperson: representative from TAL
  - Secretary: BIP’s project officer
  - Members: JICA Tajikistan Office staff in charge of BIP, a BIP’s JICA expert or a project officer

The table below shows the responsibilities of the actors:

**Table 1. Responsibilities of actors**

	Actors	Responsibilities
1	BIP	<ul style="list-style-type: none"> <li>• Disseminate information about the pilot project together with TAL district officers (in cooperation with local governments);</li> <li>• Conduct preliminary screening together with TAL;</li> <li>• Support SIBI in providing BoB training and, upon necessity, business incubation services to beneficiaries;</li> <li>• Conduct field assessment and prepare a business plan utilizing RuralInvest (agriculture consultants are engaged) together with TAL;</li> <li>• Participate in the Appraisal Committee;</li> <li>• Together with TAL, support beneficiaries in selecting the items to be leased;</li> <li>• Make payment for the selected and approved items;</li> <li>• Monitor the project fund;</li> <li>• Control documents, analyze data, and prepare reports;</li> <li>• Verify the draft lease contracts prepared by TAL;</li> <li>• Conduct monitoring of the lessees’ business together with TAL and SIBI.</li> <li>• Upon necessity, conduct incubation services in collaboration with SIBI;</li> <li>• Evaluate the impact and effectiveness of the scheme; and</li> <li>• Compile the results of the pilot project into a report.</li> </ul>
2	TAL	<ul style="list-style-type: none"> <li>• Together with, disseminate information about the pilot project;</li> <li>• Receive and verify the requests, and register and transfer them to BIP;</li> <li>• Conduct preliminary screening together with BIP;</li> <li>• Conduct field assessment and develop business plan utilizing RuralInvest together with BIP;</li> <li>• Receive applications from prospective beneficiaries;</li> <li>• Participate in the Appraisal Committee;</li> <li>• Together with BIP, support beneficiaries in selecting the items to be leased;</li> <li>• Together with BIP, procure the selected items on behalf of lessees;</li> <li>• Draft lease contracts (to be approved by BIP);</li> <li>• Sign the lease contracts;</li> <li>• Conduct monitoring of lessees’ businesses together with SIBI and</li> </ul>

		<ul style="list-style-type: none"> <li>BIP; and</li> <li>Maintain the bank account.</li> </ul>
3	SIBI	<ul style="list-style-type: none"> <li>With support from BIP, provide BoB training and, upon necessity, business incubation services to the beneficiaries;</li> <li>Participate in the Appraisal Committee if requested by SCISPM; and</li> <li>Conduct monitoring of lessees' businesses together with BIP and TAL.</li> </ul>
4	JICA Tajikistan Office	<ul style="list-style-type: none"> <li>Participate in the Appraisal Committee;</li> <li>Approve the request for withdrawal of principals by TAL</li> </ul>
5	Appraisal Committee	<ul style="list-style-type: none"> <li>Evaluate business plans and select lessees; and</li> <li>Decide the types of machines and equipment to be leased</li> </ul>

## 1.4 Basic principles

The following principles will apply to the implementation of the pilot project:

- The type of lease to be provided under the scheme will be the finance lease, in which the lessee selects the machines and equipment as well as the supplier (with support from BIP and TAL);
- Applicants can apply for a lease with a total value up to USD 2,500 per migrant (maximum amount is USD 25,000);
- Applicants must, in principle, receive BoB training and understand the basics of business in order to be eligible for the leasing scheme;
- Applicants must submit to the agriculture consultants engaged by BIP all necessary data to be entered into RuralInvest;
- The lessees must bear the transportation costs of the machines and equipment being purchased for the lease in the case when the suppliers do not provide a delivery service;
- All working capital must be supplied by the applicants (microfinance can be applied if necessary);
- The lessees must make an advance payment for at least 10% of the value of the machines and equipment to be leased. When the advance payment is less than 30%, the lessees must buy an insurance policy and;
- The lessees can receive business incubation services from SIBI/BIP when deemed necessary.

## 2 Terms and conditions

### 2.1 Benefitting migrant laborers

The lessees must be either migrant laborers, or entrepreneurs who employ migrant laborers and/or provide agricultural machine services utilizing the leased equipment/machinery to migrant laborers. The total value of the leased items must correspond to the number of migrants; in principle, at least one migrant needs to be employed or to benefit from agricultural machine services for each USD 2,500 of the lease amount, with maximum lease amount being USD 25,000.

The lessees must submit the list of migrant laborers who will be employed and/or benefit from their machine services, which must be attached to the application form.



## **2.2 Machines and equipment to be leased**

### **(1) Selection and purchase of the machines and equipment to be leased**

The applicant must choose, from the List of Equipment/Machines, the types of the machines and equipment he/she wants to lease and indicate them in his/her requests.

After BoB training, the applicant must join the field assessment to be conducted by BIP in which he/she will provide necessary information (including information on the equipment and machines to be lease) to be entered into RuralInvest. After receiving a feedback about the business plan prepared through RuralInvest, the applicant must submit an application that includes the final list of equipment/machine (from the List of Equipment/Machine) that he/she wants to lease.

TAL and BIP will be engaged in the procurement of the items to be leased, while the payment to the suppliers will be made by BIP. At least, one-year-warranty must be applied by the supplier. The lessee is responsible for the maintenance of the equipment and machines under lease.

### **(2) Conditions for the utilization of the machines and equipment**

- TAL's standard conditions for lease will be applied. TAL must explain to the lessee the responsibilities of the relevant parties.

## **2.3 Lease conditions**

### **(1) Interest rate**

TAL's standard interest rate, 12% per annum, will be applied.

### **(2) Lease period**

Lease period will be standard economic life of the equipment/machine, as indicated in the List of Equipment/Machine

### **(3) Repayment and ownership of the equipment/machine**

TAL's standard repayment schedule and conditions will be applied.

The ownership of the equipment/machine can be transferred **ONLY** after the repayment and at the completion of the standard economic life of the equipment (indicated in the List of Equipment/Machine).

### **(4) Down payment**

The lessee must make a down payment at least equal to 10% of the total value of the leased machines and equipment (taxes included). The down payment must be paid to the bank account specified by TAL, before the delivery of the equipment/machine to be leased.

### **(5) Insurance**

When the advance payment is less than 30%, TAL/BIP will make sure that the lessee purchases insurances against the following risks:

- Theft, loss or damage of the leased items which is caused by circumstances unmanageable by the lessee; and
- Possible damages by the leased items to a third party's health and property.

The risks should be insured by an insurance company designated by TAL/BIP, and the insurance premium will be paid by the lessee. TAL/BIP will prepare a list of insurance companies in

advance, from which the lessee will select the company to insure the leased items against the risks. TAL will make the insurance payments directly to the selected company, and then charge the amount to the lessee. The insurance fee can be divided equally among the installments of the lease amount during the insured period. No interest will be charged on the insurance payment.

## **2.4 Termination and modification of the lease contract**

When the following incidents are detected, TAL/BIP will assess the performance of the lessee's duties set forth in the lease contract and decide whether to terminate the contract or modify the lease conditions.

- The lessee sold or transferred the leased machine and equipment without notifying TAL/BIP;
- The lessee put up the leased machines and equipment as collateral for a loan, a debt, or other types of liability;
- The lessee failed to pay an instalment for \_\_\_\_\_ days from its due date, and monitoring by TAL/BIP revealed that the lessee is no more capable or willing to continue the lease payment; or
- The lessee did not properly use, operate, or maintain the leased machines and equipment.

In the case when the lease contract is terminated, the lessee will either pay the residual value of the leased machines and equipment or return them to TAL. If the leased items are returned, then a representative of TAL/BIP will, in the presence of the lessee, inspect the machines and equipment and determine whether a repair or recovery is required. Should a damage be found, the machines and equipment will be repaired, or their functions are recovered at the lessee's expenses.

## **3 Implementation plan**

### **3.1 Tasks and implementation method**

The leasing scheme will be implemented through the following steps:

- (1) Solicit for applications;
- (2) Receive requests and register applicants;
- (3) Provide "Basics of Business" training to the applicants;
- (4) Develop business plans utilizing RuralInvest;
- (5) Receive applications;
- (6) Conduct Appraisal Committee and select lessees;
- (7) Finalize the lease conditions;
- (8) Coordinate signing of contracts among stakeholders;
- (9) Make payments to the stakeholders; and
- (10) Conduct monitoring

The implementation details are provided in the table below:

Table 2. Implementation method

No	Tasks	Implementation method															
1	Solicit for applications	BIP, in cooperation with TAL, will disseminate information about the leasing scheme. Posters about the scheme will be placed at target district offices, and local branches of SCISPM and TAL, and the Migration Centers in the target areas.															
2	Receive requests and register applicants	<p>TAL /BIP will provide entrepreneurs who expressed their interest in the leasing scheme with the request package that includes the request form and the leaflet containing the information about (1) the scheme, (2) the terms and conditions set forth in “<u>2 Terms and conditions</u>” above, (3) the list of documents to be submitted, (4) the selection procedures, and (5) the schedule.</p> <p>The entrepreneurs will submit TAL the request documents presented below.</p> <table border="1"> <thead> <tr> <th>No</th> <th>Documents to be submitted</th> <th>Basic requirements</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Copy of national ID</td> <td>The information must be clear and readable.</td> </tr> <tr> <td>2</td> <td>A proof showing that the applicant or the prospective employees, or the prospective recipients for agricultural machine services is/are migrant laborer(s)</td> <td>Any of the following documents: (1) A copy of passport (pages with the personal information and the immigration stamps put at the time of the applicant’s disembarkation and embarkation), (2) A copy of the permission to work abroad, issued by the Ministry of Labor, Migration and Employment, and (3) A copy of the itinerary or airplane ticket ordered or purchased before the closure of the borders. The dates and information of the document must be clear and readable.</td> </tr> <tr> <td>3</td> <td>Certificate of residence issued by the local authority in the place of residence</td> <td>The certificate must be issued within the last 3 months.</td> </tr> <tr> <td>4</td> <td>Copy of the patent or certificate of individual entrepreneur/dekhkan farm, or certificate of a</td> <td></td> </tr> </tbody> </table>	No	Documents to be submitted	Basic requirements	1	Copy of national ID	The information must be clear and readable.	2	A proof showing that the applicant or the prospective employees, or the prospective recipients for agricultural machine services is/are migrant laborer(s)	Any of the following documents: (1) A copy of passport (pages with the personal information and the immigration stamps put at the time of the applicant’s disembarkation and embarkation), (2) A copy of the permission to work abroad, issued by the Ministry of Labor, Migration and Employment, and (3) A copy of the itinerary or airplane ticket ordered or purchased before the closure of the borders. The dates and information of the document must be clear and readable.	3	Certificate of residence issued by the local authority in the place of residence	The certificate must be issued within the last 3 months.	4	Copy of the patent or certificate of individual entrepreneur/dekhkan farm, or certificate of a	
No	Documents to be submitted	Basic requirements															
1	Copy of national ID	The information must be clear and readable.															
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3	Certificate of residence issued by the local authority in the place of residence	The certificate must be issued within the last 3 months.															
4	Copy of the patent or certificate of individual entrepreneur/dekhkan farm, or certificate of a																

		<table border="1"> <tr> <td></td> <td>legal entity</td> <td></td> </tr> <tr> <td>5</td> <td>Request form (attachment 1) filled with all necessary information</td> <td></td> </tr> </table> <p>Upon the receipt of the all the necessary documents, TAL registers applicants using the format shown in <u>“4.33 Attachment-3: Registry of applicants”</u>, and then send the filled formats to BIP:</p>		legal entity		5	Request form (attachment 1) filled with all necessary information	
	legal entity							
5	Request form (attachment 1) filled with all necessary information							
3	Provide “Basics of Business” training to the applicants	<p>“Basics of Business” training will be provided to, in principle, all the applicants.</p> <p>Upon the receipt of the information about the registered applicants, BIP and SIBI will prepare the schedules of “Basics of Business” training. The trainers will be first selected from SIBI’s local staff; external trainers will be sought when there is no suitable person available in the business incubators (BIP will pay the remunerations for trainers). Each session of the Basics of Business training will be organized for up to 10 people. At the end of each training session, the trainer must assess the applicants’ attitude and ability to understand the basics of business, and submit the reports to BIP.</p> <p>The results of the assessment must be submitted in the format prepared by BIP.” BIP will then summarize the assessment the results in the format shown in “4.9 Attachment-9: Record of provided training.”</p>						
4	Develop a business plan utilizing RuralInvest	BIP will select consultant(s) who work with the applicants for making business plans utilizing RuralInvest. The applicants must submit the necessary information to be entered into the system as requested by the consultant(s).						
5	Receive applications	<p>The applicants are required to submit to TAL their applications RuralInvest within two weeks after the BIP’s feedback on the developed business plan. The application form is shown in <u>“4.1 Attachment-1: Request form</u></p> <div style="border: 1px solid black; padding: 10px; text-align: center;"> <p><b>Request for the Leasing Scheme</b></p> <p>(For official use):      Serial No.: _____      Date of receipt: _____</p> </div>						



laborers	

3-2. Expected beneficiaries (migrant farmers) for agricultural machine services

Name of migrant farmer	Type of crops produced

**3. Machines and equipment requested to the scheme**

Select items from “List of requested machines and equipment”

Type of machine	Number of Unit	Price
Total		

		<p style="text-align: right;">Signature of the applicant: _____ Date: _____</p> <p><b>Attachment-2: Application form.</b>” When migrants are the recipients for agricultural machine services, the list of these migrants and the proof that they are migrants must also be submitted.</p> <p>Upon the receipt of the documents, TAL checks the completeness of the required documents, and makes sure that the documents meet the basic requirements. Any incomplete applications or those that do not meet the requirements will be returned to the applicants.</p>
6	Conduct preliminary assessment	<p>The BIP will conduct the document review to verify the applicant’s eligibility and validity of the application documents as well as to identify the items in the application documents that need further clarification. Applicants whose eligibility is not confirmed or whose application documents do not meet the basic requirements are not qualified to proceed to further evaluation. The following items will be examined during the document review:</p> <ul style="list-style-type: none"> <li>• Eligibility of the applicant (as indicated in “1.3(3) Target beneficiaries and their eligibility” under “1.3 Description of the scheme” above);</li> <li>• Eligibility of the migrant laborers whom the applicant intends to employ (if any)</li> <li>• Applicant’s business plan created through RuralInvest;</li> <li>• Detailed information about the machines and equipment being requested for the scheme (as indicated in “(1) Selection and purchase of the machines and equipment to be leased” under “2.2 Machines and equipment to be leased” above). The equipment/machines must be, in principle, selected from the List of Equipment/Machine;</li> <li>• Information about prospective suppliers, the suppliers’ warranty and delivery terms; and</li> <li>• The appraisal indicators set forth in “5 Select lessees” of this table.</li> </ul> <p>The results of the document review will be recorded in the format presented in “4.5 Attachment-5: Preliminary assessment sheet.” Based on the results of the preliminary assessment, BIP will determine the applicants who are qualified to proceed to appraisal.</p>
7	Select lessees	<p>The Appraisal Committee will select the lessees among the applicants by evaluating the impact of requested machines and equipment and the technical and financial feasibility of their businesses based on the results of the</p>

		<p>application documents as well as the business plans to be created with RuralInvest.</p> <p>The results of the appraisal will be recorded in the format of “4.6 Attachment-6: Appraisal report” and validated with signatures of the committee members. The appraisal result will be notified to each applicant.</p>
8	Finalize the lease conditions	<p>BIP and TAL will discuss and confirm with the selected lessees the terms and conditions to apply to the lease contract. The following tasks should be performed:</p> <ol style="list-style-type: none"> <li>1. <u>Verify the machines and equipment.</u> TAL will contact the supplier(s) and verify the availability of the machines.</li> <li>2. <u>Determine the lease conditions.</u> Based on the above results, BIP together with TAL will estimate the contract amount (the total value of the machines and equipment to be leased) and the amount of down payment, and propose the lease period and repayment schedule. The cash flow presented in the business plan must be referred to. The lessee should decide the repayment term considering the ownership transfer stated in “<u>2.3 Lease conditions</u>”</li> <li>3. <u>Confirm the determined conditions with the lessee.</u> The above conditions and other requirements such as the insurance and down payment should be verified with the lessee, with the relevant schedules decided based on his/her consent.</li> </ol> <p>Based on the results of the above tasks, TAL will draft the lease contract to be signed with the lessee.</p>
9	Coordinate the signing of contracts among the stakeholders	<p>The following contracts will be signed under the leasing scheme:</p> <ul style="list-style-type: none"> <li>• Lease contract: The lease contract will be signed between TAL and the lessee. TAL’s standard contract format will be used.</li> <li>• Procurement of items to be leased: TAL will confirm with BIP how to procure the items to be leased and the conditions for payment.</li> <li>• Insurance contract: When the advance payment is less than 30% of the value of the leased asset, the lessee will select a company among the companies identified by BIP. The insurance contract will be signed upon the delivery of the machines and equipment by the supplier to the lessee.</li> </ul>
10	Make payments to the suppliers	<p>BIP will make to the supplier(s) the payment for the machines and equipment (through TAL when necessary) after they are delivered to and inspected by the lessee.</p> <p>Upon the delivery, the lessee must verify the specifications and quantity of the items, inspect their conditions, and</p>



		record the results in the format shown in “4.8 Attachment-8: Acceptance note (format).” At the same time, TAL will make the payment to the insurance company selected by the lessee.
11	Conduct monitoring	BIP and TAL will monitor the lessee’s business and utilization of the leased items, and provide advice to the lessee. Whenever necessary, SIBI/BIP will provide incubation services to the lessee.

### **3.2 Preparations**

The following tasks should be completed at the preparatory stage:

- Opening of a bank account for the revolving fund;
- Preparation of a leaflet about the leasing scheme;
- Survey on insurance companies to contract;
- Preparation of a database/data analysis file; and
- Preparation of a format for the accounting logbook/tool.
- Conducting TOT on RuralInvest.

## 4 Attachments

### 4.1 Attachment-1: Request form

#### Request for the Leasing Scheme

(For official use): Serial No.: \_\_\_\_\_ Date of receipt: \_\_\_\_\_

#### b. Information about the applicant

1-1. Full name: \_\_\_\_\_

1-2. Gender (circle):                      a. Male                      b. Female

1-3. Date of birth: Day: \_\_\_\_\_ Month: \_\_\_\_\_ Year: \_\_\_\_\_

1-4. Education: \_\_\_\_\_

1-5. Address: \_\_\_\_\_

1-6. Contact address:                      Tel. No.: \_\_\_\_\_

e-mail address: \_\_\_\_\_

#### 2. Outline of the business to be supported

2-1. Legal status of the business (circle):

a. Patent                      b. Certificate                      c. Dekhkan Farm                      c. Legal entity

2-2. Description and location of the business:

Description: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Location: \_\_\_\_\_

\_\_\_\_\_

#### 3. Information about migrants

3-2 Expected employment of migrant laborers (including the owner of business if applicable)

Name of migrant laborers	Type of work to be assigned

3-2. Expected beneficiaries (migrant farmers) for agricultural machine services

Name of migrant	Type of crops produced

farmer	

### 3. Machines and equipment requested to the scheme

Select items from “List of requested machines and equipment”

Type of machine	Number of Unit	Price
Total		

Signature of the applicant: \_\_\_\_\_

Date: \_\_\_\_\_

#### 4.2 Attachment-2: Application form

### Application for the Leasing Scheme

(For official use): Serial No.: \_\_\_\_\_ Date of receipt: \_\_\_\_\_

**Declaration:**

I hereby certify that I understood the terms and conditions of the Leasing Scheme including the requirements for a down payment, insurance, and employment of migrant laborers.

All information furnished below is true and the representatives authorized by TAL/BIP may, at any time, verify the information by any means. I will also provide additional information upon request by TAL/BIP.

**c. Information about the applicant**

1-1. Full name: \_\_\_\_\_

1-2. Gender (circle):                    a. Male                    b. Female

1-3. Date of birth:    Day: \_\_\_\_\_ Month: \_\_\_\_\_ Year: \_\_\_\_\_

1-4. Education: \_\_\_\_\_

1-5. Address: \_\_\_\_\_  
 \_\_\_\_\_

1-6. Contact address:            Tel. No.: \_\_\_\_\_  
    e-mail address: \_\_\_\_\_

**2. Outline of the business to be supported**

2-1. Legal status of the business (circle):

a. Patent      b. Certificate            c. Dekhkan Farm      c. Legal entity

2-2. Description and location of the business:

Description: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Location: \_\_\_\_\_  
 \_\_\_\_\_

2-4. Details of the current business

a. Date of commencement:    Month: \_\_\_\_\_ Year: \_\_\_\_\_

b. Number of employees (excluding the owner of the business):

        Permanent: \_\_\_\_\_ persons

        Seasonal: \_\_\_\_\_ persons

c. Annual production capacity and actual production volume (most recent):

Product/Service	Unit	Production/Sales	
		Annual	Monthly

d. Annual sales revenue (most recent): \_\_\_\_\_ TJS

2-5. Expected employment of migrant laborers (including the owner of business if applicable)

Name of migrant laborers	Type of work to be assigned	Timing (from when to when)

3-2. Expected beneficiaries (migrant farmers) for agricultural machine services

Name of migrant farmer	Type of crops produced	Signature

**3. Machines and equipment requested to the scheme**

Select items from “List of requested machines and equipment”

Type of machine	Number of Unit	Price
Total		

**b. Expected impact of the requested items on the supported business:**

(Increase in the production volume or productivity, increase in the number of clients, increase in employment, decrease in unit cost, improvement in the product/service quality, etc.)

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**b. Preference of the repayment conditions:**

5-1. Lease period: \_\_\_\_\_ years

5-2. Frequency of lease repayment (circle):

a. Monthly

b. Quarterly

Signature of the applicant: \_\_\_\_\_

Date: \_\_\_\_\_







#### 4.5 Attachment-5: Preliminary assessment sheet

BIP: Leasing Scheme

##### Preliminary Assessment Sheet

Application serial No.: \_\_\_\_\_

Date: \_\_\_\_\_

#### 1. General information

1-1 Target district	
1-2 Name of applicant	
1-3 Type of business	
1-4 Business name	
1-5 Products and services	

#### 2. Eligibility of the applicant(s)

Requirements	Results of the review
2-1 Operating a business in the target areas	
2-2 Being a migrant laborer who has returned, willing to employ a migrant laborer, or will provide agricultural machine services to migrants	
2-3 Being a registered business (Submission of a copy of the patent/certificate/Dehkan farm certificate)	
Conclusion:	

#### 3. Lease conditions being proposed:

3-1. Total value of requested machines and equipment: \_\_\_\_\_ TJS

3-2. Estimated down payment: \_\_\_\_\_ TJS

3-3. Lease period: \_\_\_\_\_ months / years

3-4. Repayment option (select):            a. Monthly    b. Quarterly

3-5. Amount of the first installment: \_\_\_\_\_ TJS, of which:

a). Principal: \_\_\_\_\_ TJS

b). Interest: \_\_\_\_\_ TJS

3-6. Number of migrant laborers who will be employed: \_\_\_\_\_ persons

3-7. Number of migrants who will receive the agricultural machine services:

\_\_\_\_\_ persons

**. Financial condition of the current business**

4-1. Annual sales revenue: \_\_\_\_\_ TJS/year

4-2. Annual total expenses: \_\_\_\_\_ TJS/year

**5. Expected impact of the machines and equipment to be leased**

(Increase in the production volume or productivity, increase in the number of clients, increase in employment, decrease in unit cost, improvement in the product/service quality, etc.)

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Observation on the business plan :

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**4. Conclusion of the preliminary screening**

<input type="checkbox"/>	A. The application is recommended.
<input type="checkbox"/>	B. The application is not recommended.

Project Officer: \_\_\_\_\_

Coordinator \_\_\_\_\_

Signature \_\_\_\_\_

Signature \_\_\_\_\_

4.6 Attachment-6: Appraisal report

# Appraisal Report

Date of appraisal: \_\_\_\_\_

Target district: \_\_\_\_\_

Serial No.	Applicant	Business	Evaluation				Remark
			Impact	Technical feasibility of the business	Financial feasibility of the business	Overall	
0001	Applicant-1	Business-1	Good	Good	Moderate	Approved	Decrease the number of equipment to be leased
0002	Applicant-2	Business-2	Good	Good	Good	Approved	Nothing special

Committee members:

\_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

\_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

\_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

\_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

#### 4.7 Attachment-7: Lease contract (template)

##### Lease Contract

This contract is signed by Republican State Unitary Enterprise “Tajjikagroleasing” (hereinafter called “TAL”) and \_\_\_\_\_ (full name) with the National ID No. \_\_\_\_\_ (hereinafter called “the Lessee”), which states their mutual agreement on the terms and conditions for the machines and equipment to be leased to the Lessee under the Leasing Scheme of Business Incubation Project financed by JICA (hereinafter called “BIP”).

#### 1. Equipment and materials to be leased

BIP will purchase the machines and equipment equivalent to the total of \_\_\_\_\_ TJS ( *[spell out the amount]* Tajikistan Somoni) and transfer the machines and equipment to the lessee on a lease with the terms stated below. The details of the machines and equipment are shown in “Appendix-1: List of machines and equipment to be leased” (hereinafter referred to as “the items” or “the leased items”).

The items will be purchased from the supplier(s) specified by the lessee. At the time of delivery, the lessee must verify the specifications and quantity of the items as well as inspect their conditions. With the acceptance note signed by the lessee and the supplier’s invoice, BIP will make the payment of the machines and equipment to the supplier(s). Any costs related to the delivery and acceptance of the items will be paid by the lessee.

#### 2. Ownership of the leased items

BIP will transfer to TAL the ownership of the leased items. After the completion of the payments indicated in “Appendix-2: Repayment schedule.” and the statutory economic life of the items, the ownership of the items will be transferred to the lessee.

#### 3. Utilization and maintenance of the leased items

The following conditions will apply to the utilization of the leased items:

3-1. The leased items are to be neither sold nor transferred to a third party without a written consent of TAL/BIP.

3-2. The lessees must keep the items in good condition by maintaining them properly. Breakdowns and malfunctioning of the leased items that occurred during the utilization must be taken care of by the supplier or vendors admitted by TAL/BIP.

3-3. The lessee is allowed to upgrade the leased items at his or her expenses based on TAL/BIP’s prior consent.

3-4. All the operating expenses of the leased items as well as repair and maintenance costs will be borne by the lessee. In case of a breakdown, TAL/BIP will pay the expenses of the repair service directly to the service vendor, and then charge the full amount to the lessee on the next installment of the lease payment. No interest will be charged on the cost of the service.

#### 4. Risks and insurance

4-1. The lessee must insure the leased items against theft, loss or damages of the items which is caused by circumstances unmanageable by the lessee as well as possible damages by the leased items to a third party’s health and properties. The following insurances must be

purchased:

Insurance company: \_\_\_\_\_

Insurance products:

a) \_\_\_\_\_

b) \_\_\_\_\_

4-2. BIP will make the insurance payments directly to the insurance company, and then charge the amount to the lessee. The insurance fee can be divided equally among the installments of the lease payment during the insured period. No interest will be charged on the insurance payment.

## 5. Lease conditions

5-1. Lease period: \_\_\_\_\_ years / months (select)

5-2. Interest rate: The annual interest rate will be \_\_\_\_%. The quarterly, monthly, and daily rate that applies to the estimation of the interest payments will be the annual rate divided by the numbers of the quarters (“4”), months (“12”), and days (“365”) of a year, respectively. The interest will be estimated from the outstanding principal only.

5-3. Repayment schedule: The installments and the repayment schedule are presented in “Appendix-2: Repayment schedule.” The lessee must make the payments to the following bank account:

Account information: \_\_\_\_\_

\_\_\_\_\_

5-3. Down payment: The lessee must make a down payment equal to \_\_\_\_\_ TJS (\_\_\_\_\_ [spell out] \_\_\_\_\_ TJS) to the above account by \_\_\_\_\_ (date).

## 6. Special conditions

The lessee must employ \_\_\_\_\_ migrant laborers and/or provide agricultural machine services to \_\_\_\_\_ migrants utilizing the leased items. When the lessee employs migrant laborers and/or provide agricultural machine services to migrants, the lessee will report it to TAL/BIP by \_\_\_\_\_ (date).

## 7. Termination and modification of the contract

7-1. When the following incidents are detected, TAL/BIP will assess the performance of the lessee’s duties set forth in this contract and decide whether to terminate the contract or modify the lease conditions.

- The lessee did not employ migrants indicated in “6. Special conditions” above, terminated the employment of the migrants without any justifiable reasons, or no agricultural machine service was provided to migrants;
- The lessee sold or transferred the leased items without notifying TAL/BIP, or put up the leased items as collateral for a loan, a debt, or other types of liability;
- The lessee failed to pay an instalment for \_\_\_\_\_ days from its due date, and monitoring by TAL/BIP revealed that the lessee is no more capable or willing to continue the lease payment; or
- The lessee did not properly use, operate, or maintain the leased items.

7-2. In the case when this contract is terminated, the lessee will either pay the residual value

of the leased items or return them to TAL/BIP. If the leased items are returned, then a representative of TAL/BIP will, in the presence of the lessee, inspect the returned items, and determine their conditions. Should a damage be found, the items will be repaired, or their functions are recovered at the lessee's expenses.

**8. Appendices**

The following appendices are the integral parts of this contract.

- Appendix-1: List of machines and equipment to be leased
- Appendix-2: Repayment schedule
- Appendix-3: CVs of Migrant Laborers

Date: \_\_\_\_\_

	Representative of TAL:	Lessee
(Signature)		
Name:		
Position:		
Address:		
Tel No.:		

**List of Machines and Equipment to be Leased**

Application Serial No.: \_\_\_\_\_

Total value of the items: \_\_\_\_\_ TJS

Details of the machines and equipment:

Items	Brand/Model Specification	Quantity	Price (TJS/unit)	Total value (TJS)

Remark:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



**Repayment Schedule**

Application Serial No.: \_\_\_\_\_

Total value of the leased items		85,125	TJS	Year	Quarters	Date of payment	Installments (TJS)			Outstanding principal (TJS)	
							Principal	Interest	Total	Before	After
Down payment (10%)		8,513	TJS								
Outstanding principal (initial)		76,612	TJS								
Lease period		3	years								
Lease rate:	Annual	15.00%									
	Quarterly	3.75%									
	Monthly	1.25%									
	Daily	0.04%									
Repayment option		Quarterly									
Dates:	Start	2021/07/01									
	End	2024/06/30									
				2021	Quarter-3	2021/09/30	6,384	2,873	9,257	76,612	70,228
				2021	Quarter-4	2021/12/31	6,384	2,634	9,018	70,228	63,843
				2022	Quarter-1	2022/03/31	6,384	2,394	8,778	63,843	57,459
					Quarter-2	2022/06/30	6,384	2,155	8,539	57,459	51,075
					Quarter-3	2022/09/30	6,384	1,915	8,300	51,075	44,690
					Quarter-4	2022/12/31	6,384	1,676	8,060	44,690	38,306
				2023	Quarter-1	2023/03/31	6,384	1,436	7,821	38,306	31,922
					Quarter-2	2023/06/30	6,384	1,197	7,581	31,922	25,537
					Quarter-3	2023/09/30	6,384	958	7,342	25,537	19,153
					Quarter-4	2023/12/31	6,384	718	7,103	19,153	12,769
				2024	Quarter-1	2024/03/31	6,384	479	6,863	12,769	6,384
					Quarter-2	2024/06/30	6,384	239	6,624	6,384	0
Totals							76,612	18,674	95,286		

Agreed by:

Representative of TAL: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

Representative of BIP: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

Lessee: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

**4.8 Attachment-8: Acceptance note (format)**

**Acceptance Note**

Application Serial No.: \_\_\_\_\_

Date of acceptance: \_\_\_\_\_

I, \_\_\_\_\_ (full name of the lessee) \_\_\_\_\_, hereby certify that I have inspected the specification and conditions of the machines and equipment listed below and verified that they are in good condition and works properly. I acknowledge the acceptance of the machines and equipment.

Items accepted:

No	Items	Brand/Model	Specifications / Serial No

Handed over by (Supplier's representative):

Lessee:

(Signature)

(Signature)

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

\_\_\_\_\_

**4.9 Attachment-9: Record of provided training**

# Record of provided training

Training Serial No.: \_\_\_\_\_  
 Date of provision: Started \_\_\_\_ (date) \_\_\_\_ Ended \_\_\_\_ (date) \_\_\_\_

**BIP: Leasing Scheme**  
 Target district: \_\_\_\_\_  
 Business incubator in charge: \_\_\_\_\_  
 Venue: \_\_\_\_\_  
 Name of trainer: \_\_\_\_\_

No	Name of trainee	Planned hours	Attended hours	Attendance rate (%)	Overall evaluation of applicant's attitude and the quality of the business plan

Filled by: \_\_\_\_\_ (Signature) \_\_\_\_\_, (Name)

**Annex 11 RuralInvest Final Report  
from FAO Investment Centre**

**RuralInvest Introductory Training  
Course: Introduction to Formulation and Analysis  
of Business Plans and Small Investment Projects**

*For the*

**Business Incubation Project in Tajikistan**

*From*

*21 February – 3 March 2022*

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## **Introduction**

The overall goal of the JICA funded Business Incubation Project (BIP) in Tajikistan is to support the State Institution “Business Incubator” (SIBI) headquartered in Dushanbe in providing effective services for the development of entrepreneurs and small and medium enterprises (SME). The project has the following goals:

Output 1: The modality for the delivery of “Basic business” training is established

Output 2: The modality for supporting SME in preparing business plans is established

Output 3: The modality for supporting SME’s access to finance is established

Output 4: The modality for conducting mentoring of SME is established

Output 5: The modality for collaboration between business incubation and On-Stop-Window is established

Output 6: The methodologies for supporting government agencies in streamlining their administrative procedures related to business operations are established

Output 7: Networks linking the SIBI and similar initiatives in and out of the country are established

In this context a RuralInvest training mission was organised on the methodology and the participatory development of business plans with the RuralInvest tool for selected consultants nominated by the project and staff from the Agricultural University. This report summarizes the activities carried out during this mission which took place in Dushanbe from February 22 to March 3, 2022.

## **Mission Objectives**

The mission aimed to :

- Translate the RIV software, presentations, and case studies in Russian
- Train key personnel of the BIP project that will be involved in the development and analysis of business plans for supporting the implementation of BIP;
- Train national trainers from the Tajik Agrarian University (TAU) for the continuity of RuralInvest training and technical support to users within Tajikistan;
- Meet key officials from the BIP project and TAU to promote adoption of the RuralInvest tool by national institutions in Tajikistan

## **Expected Results**

The following results were expected at the end of the mission:

- Translated software, presentations and case studies in Russian
- A training session on the development of business plans with the RuralInvest software with relevant case studies and entrepreneur interviews conducted in the field
- Identify national trainers that can support the project and further promotion of RIV in Tajikistan

- Discussions on the institutionalization of RuralInvest and the financing of business plans being developed by the BIP

## Key Mission Achievements

### RuralInvest Training Workshop

The training session took place at the offices of the SIBI from 21 February to 3 March 2022, and 8 participants including 3 women took part in the training. The participants were primarily the consultants of the BIP. The training workshop was also attended by 3 participants from TAU.

The daily sessions took place from 10 a.m. to 5.15 p.m. with a coffee break at 11 a.m., a lunch break at 1 p.m. and another coffee break at 5.15 p.m. The modules were delivered according to the timetable approved by the participants. The field visits were organised from 23 February to 25 February and four different entrepreneurs were interviewed and their business plans discussed in detailed.

The participants were trained using a participatory approach. The workshop emphasised on participants' exchanges of experiences, lessons learned from the simulated case studies and group work and the field experience. The workshop emphasised that the participants should be able to: i) collect the data needed to develop their business plan in a participatory manner; ii) use the software to have business plans of different levels of detail and conduct sensitivity analyses; iii) understand and analyze the different indicators of the business plan and iv) popularize and explain to the entrepreneur what the business plan contains to ensure that they agree with the business plan details.

Table 1: Workshop agenda

Training content	Objectives
<b>Introduction to the RuralInvest methodology</b> (Day 1 – 21 February)	The 3 main steps of the RuralInvest methodology : <ul style="list-style-type: none"> <li>- identification of investment priorities;</li> <li>- preparation and analysis of simplified business plans;</li> <li>- formulation of detailed business plans</li> </ul>
<b>Participatory approach in RuralInvest</b> (Day 1 – 21 February and field visits from Day 3 to Day 5)	The participatory approach is key at all levels of the process: from the collection of quantitative and qualitative data to the dissemination of the results with the promoters.
<b>Qualitative part in RuralInvest</b>	The qualitative part is essential in a business plan: the objectives of the project, the context and the justification, the market with the supply chains, the analysis of competitiveness, the prices; business



(Day 2 – 21 February and field visits from Day 3 to Day 5)	management, what technologies will be used and technical support needs; environmental and social impacts, potential risks, and mitigation strategies
<b>Vocabulary and basic financial concepts from RuralInvest</b>  (Day 2 – 21 February)	The determination of an investment cost, the useful life of an investment, the salvage value of the investment, the annual provision for the replacement of investments, production costs, overheads, unit of sales, revenue, gross annual margin, net annual income, number of years required to repay investments
<b>Block concept – simple and complex</b>  (Day 6 – 28 February)	It is the core of RuralInvest which makes it possible to model the activities and therefore to obtain a detailed working capital requirement. The determination of a block and its key elements - the reference unit, and the production cycle; annual and multi-year cycle design.
<b>Simplified business plan</b>  (Day 7 – 1 March)	Analysis of the project over one year (the full operation year) which results in basic financial indicators such as the annual gross margin, the annual net income, and the years required to recover the investments
<b>Detailed business plan</b>  (Day 8 – 2 March)	Multi-year analysis of the investment project which results in financial indicators such as the net present value (NPV), the internal rate of return (IRR), the payback period, the monthly and annual cash flow as well as the financial profitability.
<b>Leading financial indicators</b>  (Day 8 – 2 March)	<ul style="list-style-type: none"> <li>(i) Cash flow is the free cash generated by an activity through its income and expenditure; it can be monthly or annual; a distinction is made between cash flows before financing, after financing and cumulative after financing;</li> <li>(ii) The working capital requirement assesses the liquidity that the company will need to cover short-term expenses; it corresponds to the absolute value of the most negative month in the monthly cash flow table;</li> <li>(iii) Net present value (NPV) is the calculation of what money obtained in the future would be worth today; it must be greater than 0 for the project to be considered viable;</li> <li>(iv) The internal rate of return (IRR) corresponds to the annual interest rate earned by the investment; it is compared to the discount rate; the project is considered profitable when the IRR is higher than the discount rate</li> </ul>

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<b>Sensitivity analysis</b> (Day 9 – 3 March)	The software makes it possible to conduct sensitivity analyses, i.e. to model positive and negative scenarios and to see the effects on profitability.
<b>Concept without and with project</b> (Day 9 – 3 March)	The situation <i>without project</i> is that which corresponds to the most probable scenario if the project were not carried out; the situation <i>with project</i> takes into account the change and the improvement of technology object of the investment

At the end of the workshop, a certificate of participation was given to each participant. Also, a period of one month was given to them to each develop a business plan in a real situation to send to the team of trainers for assessment.

### Feedback from the field visit and business plans developed

During the 3 days of field visits the participants were asked to carry out in-depth interviews with farmers, which included questions covering both qualitative and quantitative side of the business plans. All farmers are either clients of agro-leasing and received loans or planning to go for one of the two options in near future. Namely, the following four farmers were interviewed and the relevant data was collected:

1. “G. Sharipov private farm” in Fayzobod with 6 household members. The total cropping area - 32ha (26ha- orchards, 6 rain field - mulberries). The farmer has 28 dairy cows and 24 sheep.
2. “Mavlavi private farm” in Fayzobod with 16 beneficiaries (cooperative of several families). The total area - 20ha (6ha- orchards, 14ha – wheat, vegetables, safflower, flax). Also has 8 dairy cows and 10 sheep.
3. “Qaum farm” with 9 household members. The total area -14.7 ha (2ha - orchards, rest – vegetables and cereals). Also has 20 sheep and 4 dairy cows.
4. “Shahzod private farm” with 6 household members. The total area - 8ha (3ha- wheat, 5ha- lucerne). The farmer owns also 14 dairy cows.



The participants were assigned to develop flipcharts based on the collected data in the same format as the blocks in RuralInvest tool are organized. This was followed by group presentations and discussion of the collected data. The process revealed the following main conclusions: 1) it is not possible to collect the data in one shot that is why the approach is participatory with repetitive visits to the farmer; 2) the collected data might not be correct and in line with field technicians' experience and knowledge, however at this point it is important to use the collected data only; 3) follow-up field visits would help to understand the sources of mistakes in collected data and would help to farmers to articulate their business plans in a better way; 4) field technicians should not intervene with own ideas into the process and should not lead in the business priorities identification.



After entering the data into the RIV tool in the office, the participants had a good sense of the main financial indicators and gained a good understanding of what steps should be done to improve the quality of business concepts and plans developed by them.

The participants also understood that on the first attempt, not all the data collected made business sense – either the business was extremely profitable or were loss making. The need of an iterative approach to business planning was received well by the participants.

### Difficulties encountered

The two main challenges in the training were the language barrier which sometimes made it difficult to communicate effectively. In addition, the entrepreneurs that were covered as part of the field study spoke Tajik. However, this was overcome as the JICA team had provided with two translators/interpreters.

The other difficulty was the internet connection in the training room which made it difficult to download the software, attend virtual quizzes, etc. As the participants started working in groups it reduced the load and the training went on smoothly.

### Conclusion

The training mission on the introduction of the RuralInvest methodology and the participatory development of business plans with the RuralInvest tool went very well overall. It trained 8 users, among whom 3 showed a potential to emerge as potential master trainers. The participants from TAU greatly appreciated its adaptability to agricultural activities especially and are eager to adopt it for the students as a part of agricultural economics courses curriculum.

It is therefore important that FAO continue to remain engaged in the country for advocating

RuralInvest, as it also provides a chance to cover other Russian speaking countries in the Central Asia region.

## Annex 1: List of Participants

	<b>Name</b>	<b>Mobile phone</b>	<b>Email</b>	<b>English</b>	<b>Remark</b>
1	Munira Otambekova	935705740	<a href="mailto:munira.otambekova@gmail.com">munira.otambekova@gmail.com</a>	Fair	Recommended by FAO to support TOT
2	Nazira Zevarsoeva	777070729	<a href="mailto:nzevarshoeva@gmail.com">nzevarshoeva@gmail.com</a>	Good	Act as an interpreter during TOT
3	Lutfulloi Davlati Abdurozizkoda	907424245	<a href="mailto:Lutfullo1991@yahoo.com">Lutfullo1991@yahoo.com</a>	Good	Working at the Agriculture Ministry
4	Sadridin Yusupov (Danny)	935008820	<a href="mailto:sadridin.yusupov@hotmail.com">sadridin.yusupov@hotmail.com</a>	None	Used to work at banks
5	Boimuratov B	93 880 30 96	<a href="mailto:boymurodovbahtiyor68@gmail.com">boymurodovbahtiyor68@gmail.com</a>	None	Irrigation engineer and growing vegetables
6	Kurbanova Barno	900737751	<a href="mailto:kurbonova.barno80@mail.ru">kurbonova.barno80@mail.ru</a>	None	Crop management, Faculty of Agronomy, Agrarian Univ.
7	Nasridinov Kamariddin	918792337	<a href="mailto:kurbonova.barno80@mail.ru">kurbonova.barno80@mail.ru</a>	None	Crop management, Faculty of Agronomy, Agrarian Univ.
8	Ismoilov Ismatullo	936027565	<a href="mailto:ismatullo1988tau@mail.ru">ismatullo1988tau@mail.ru</a>	Fair	Faculty of Economics, Agrarian Univ.

## Annex 2: Summary of Entrepreneur Business Concepts developed (Translated from Russian)

### G. Sharipov private farm

#### 1- Overview

##### i. Background and justification

- Who is the investor/beneficiary? (Please bear in mind that children cannot be direct beneficiaries in the case of income generating projects) **The head of farm.**
- What is the product or service that you propose to develop?
- **G. Sharipov farm, Kamolov Mirzoali head of the farm, 6 members**  
**The total area -32ha (26ha- orchards, 6 rain field - mulberries) 28 milky cows, 24 sheep.**
- 

##### ii. Main product(s) or service(s)

- What are the production activities or services of the operation? (Describe the operation)seeds of **vegetables, potato, lucerne, milk**

#### 2- Market

##### i. Sales and distribution

- Who will be your customer? **Population, market and intermediaries (Vahdat, Dushanbe)**
- 
- Are there different customers/markets that you aim for, where are they and how will you reach them? -
- Are there already any relationships with potential customers? **Yes**
- Can volumes be specified for certain outlets that you have identified as customers?
- How will you attract new clients? **through intermediaries**

##### ii. Supply linkages

- What kind of materials or services will you have to source externally?  
**Harvester, tractor, cultivator**
- Who will be the suppliers? - **Agrolizing, project of d Agakhan foundation**
- How do you plan to organize the supply of these materials or services (e.g. contractual arrangements)? **-Contractual arrangements**
- What do you foresee as supply risks and how do you plan to manage those risks?

##### iii. Competition analysis

- Who are the possible competitors? **The neighboring farms**
- Where are they located? **In the same district**
- How are you better or different from the competition?  
**The quality of the products is higher.**

##### iv. Pricing

- At what price will the product(s) be sold/the service be offered?  
**1 kg tomato 2,5– 5tjs, lucerne hay – 15-30tjs**
- How may the price vary over time? **Depends on the production of the crop being produced.**
- When will the client pay? **After the sale of products**

### 3- Organization and Technology

#### i. Business management

- How will the business/investment be managed? **From farm income.**
- Who will take the day-to-day decisions? **Head of the farm**
- Within your applicant group, who plays which role? -
- Have you managed a business before? **Works in the farm from 1982**
- Would you need training or support on managing the business in terms of contracts with suppliers and clients? **Yes**
- Do you know who can provide this training or support and what the charges would be? **No**
- Would you need training or support on managing the accounts and finances of the business? **No**
- Do you know who can provide this training or support and what the charges would be? **No**
- What different types of employees will the business need to hire – both full-time and part-time? **Part-time employees in the session time**

#### ii. Technology

- What kind of technology or production techniques will be used?
- **Traditional, drip irrigation, bed planting**
- 
- What future maintenance needs are expected for the equipment etc.?

#### iii. Technical assistance and training requirements

- Do you need technical training, prior to using the technology/techniques?  
**Yes**
- If yes, who will provide this training and how much will it cost? **Local Non-governmental Organization (NGO)**

### 4- Sustainability

#### i. Environmental sustainability

- What possible positive or negative impact will the activities have on the environment? For example, is the project expected to have an effect on land uses, soil and water quality, fauna, flora and habitats? **No**
- Does climate change affect the activities proposed and how - what are the key risks? **The temperature is raising, drought is occurring**

#### ii. Mitigation measures of adverse environmental impact

- What actions will be taken to prevent, reduce or control each of the possible negative environmental impacts? **Rational use of water, less use of chemicals**
- How do you plan to mitigate the effects of climate change on your activities?

iii. Social Impact

- What possible positive or negative impact will the investment project have on the community within which they operate?
- For example, to which extent does the project foster good health and well-being, quality education, social inclusion, decent work or gender equality?
- **By increasing incomes, livelihood of family will improve**

iv. Mitigation measures of adverse social impact

In case of a possible negative social impact of the investment project, what actions will be taken to reduce/prevent negative social impact? **Sale the cows and sheep**

5- Risks

i. Principal assumptions and risks

- What do you consider to be the main risks for the proposed investment?

For example:

- availability of raw material supply
- potential increase in costs of production/services
- potential risk of decrease in sales price
- potential unpredictability in demand volume
- **climate related risk to operations, such as floods, droughts, plant, animal diseases**

ii. Possible mitigation strategies

- What actions will be taken to reduce the identified risks?

**Planting seeds of varieties tolerant to droughts, using healthy feeds for animals, drip irrigatio**

**Potato 1 ha**

1. Tillage, chiseling = 2000 tjs
2. Sowing – 3-3,5t seed= 2000 tjs
3. Organic fertilizer – 20 t=3000tjs
4. Mineral fertilizer = 1,700tjs
5. Watering = 200tjs
6. Pesticides – 400tjs
7. Weeding – 400tjs
8. Interrow cultivation – 800tjs



9. Harvest – 30t
10. Price – 1kg=3tjs
11. Harvesting by combine = 800tjs( service)

**Harvest cost = 30 t x 3tjs/kg=90000tjs**

**income =90000tjs – 10140tjs=79860tjs**

**expenses = 10140tjs**

Mavlavi private farm

## 1- Overview

### iii. Background and justification

- Who is the investor/beneficiary? (Please bear in mind that children cannot be direct beneficiaries in the case of income generating projects) **The head of farm.**
- What is the product or service that you propose to develop?
- **Mavlavi farm, Boboev Qurbonali head of the farm, 16 members**  
**The total area -20ha (6ha- orchards, 13ha – wheat, vegetables, safflower, flax ) 8 milk cows, 10 sheep.**
- 

### iv. Main product(s) or service(s)

- What are the production activities or services of the operation? (Describe the operation)seeds of **vegetables, potato, lucerne, milk**

## 2- Market

### v. Sales and distribution

- Who will be your customer? **Population, market and intermediaries (Vahdat, Dushanbe)**
- 
- Are there different customers/markets that you aim for, where are they and how will you reach them? -
- Are there already any relationships with potential customers? **Yes**
- Can volumes be specified for certain outlets that you have identified as customers?
- How will you attract new clients? **through intermediaries**

### vi. Supply linkages

- What kind of materials or services will you have to source externally?  
**Harvester, tractor, cultivator**
- Who will be the suppliers? - **Agrolizing, Bank**
- How do you plan to organize the supply of these materials or services (e.g. contractual arrangements)? -**Contractual arrangements**
- What do you foresee as supply risks and how do you plan to manage those risks?

vii. Competition analysis

- Who are the possible competitors? **The neighboring farms**
- Where are they located? **In the same district**
- How are you better or different from the competition?  
**The quality of the products is higher.**

viii. Pricing

- At what price will the product(s) be sold/the service be offered?  
**1 kg tomato 2,5– 5tjs, lucerne npecc – 15-30tjs**
- How may the price vary over time? **Depends on the production of the crop being produced.**
- When will the client pay? **(20% before the sale. 80% after the sale of products)**

3- Organization and Technology

iv. Business management

- How will the business/investment be managed? **Agrolising and from farm income.**
- Who will take the day-to-day decisions? **Head of the farm**
- Within your applicant group, who plays which role? -
- Have you managed a business before? **Works in the farm**
- Would you need training or support on managing the business in terms of contracts with suppliers and clients? **Yes**
- Do you know who can provide this training or support and what the charges would be? **No**
- Would you need training or support on managing the accounts and finances of the business? **No**
- Do you know who can provide this training or support and what the charges would be? **No**
- What different types of employees will the business need to hire – both full-time and part-time? **Part-time employees in the session time**

v. Technology

- What kind of technology or production techniques will be used?  
**Traditional, drip irrigation, mulch**
- What future maintenance needs are expected for the equipment etc.?

vi. Technical assistance and training requirements

- Do you need technical training, prior to using the technology/techniques?  
**Yes**
- If yes, who will provide this training and how much will it cost? **NPO**

4- Sustainability

- v. Environmental sustainability
  - What possible positive or negative impact will the activities have on the environment? For example, is the project expected to have an effect on land uses, soil and water quality, fauna, flora and habitats? **No**
  - Does climate change affect the activities proposed and how - what are the key risks? **The higher temperature, drought.**
  
- vi. Mitigation measures of adverse environmental impact
  - What actions will be taken to prevent, reduce or control each of the possible negative environmental impacts? **Rational use of water, less use of chemicals**
  - How do you plan to mitigate the effects of climate change on your activities?
  
- vii. Social Impact
  - What possible positive or negative impact will the investment project have on the community within which they operate?
  - For example, to which extent does the project foster good health and well-being, quality education, social inclusion, decent work or gender equality?  
**By increasing incomes, the well-being of family life will also increase**
  
- viii. Mitigation measures of adverse social impact
 

In case of a possible negative social impact of the investment project, what actions will be taken to reduce/prevent negative social impact? **Sale the cows and sheep**

## 5- Risks

- iii. Principal assumptions and risks
  - What do you consider to be the main risks for the proposed investment?

For example:

- availability of raw material supply
  - potential increase in costs of production/services
  - potential risk of decrease in sales price
  - potential unpredictability in demand volume
  - **climate related risk to operations, such as floods, droughts, plant, animal diseases**
- iv. Possible mitigation strategies
    - What actions will be taken to reduce the identified risks?

**Planting resistance seeds to droughts, healthy feeds for animals, drip irrigation**

Orchard Apple/ 1 ha (4years)

1. Seedlings  $7 \times 5 = 285 \times 20 = 5700$
2. Tillage, chiseling = 1500 tjs.
3. Planning = 3000tjs
4. Sowing seedlings = 1000tjs
5. Organic fertilizer – 4 t = 800tjs
4. Mineral fertilizer = 500tjs
5. Watering = 1000tjs
6. Pesticides – 3000tjs
7. Weeding – 400tjs
8. Interrow cultivation – 600tjs
9. Harvest – 10t
10. Price – 1kg = 4tjs = 3000tjs
11. Transportation = 2,500tjs( service)

**Harvest cost = 10 t x 4tjs/kg = 40000tjs**

**income = 40000tjs – 16903tjs = 23097tjs**

**expenses = 23097tjs**

Qaum farm

1- Overview

- v. Background and justification
  - Who is the investor/beneficiary? (Please bear in mind that children cannot be direct beneficiaries in the case of income generating projects) **The head of farm.**
  - What is the product or service that you propose to develop?
  - **Qaum farm, Qaumov Faizali head of the farm, The total area -14,7 ha (2ha- orchards, others – vegetables, cereals) 20 sheep, 4 milk cows.**
  -
- vi. Main product(s) or service(s)
  - What are the production activities or services of the operation? (Describe the operation) **orchards, vegetables, cereals.**

2- Market

- ix. Sales and distribution
  - Who will be your customer? **Population, market and intermediaries**
  - 
  - Are there different customers/markets that you aim for, where are they and how will you reach them? **Fruit and vegetables.**
  - Are there already any relationships with potential customers? **Yes**

- Can volumes be specified for certain outlets that you have identified as customers?
  - How will you attract new clients? **through intermediaries**
- x. Supply linkages
- What kind of materials or services will you have to source externally? **tractor, seeders cultivator**
  - Who will be the suppliers? - **Agrolizing**
  - How do you plan to organize the supply of these materials or services (e.g. contractual arrangements)? -**Contractual arrangements**
  - What do you foresee as supply risks and how do you plan to manage those risks?
- xi. Competition analysis
- Who are the possible competitors? The neighboring farms
  - Where are they located? **In the same district**
  - How are you better or different from the competition?  
**The quality of the products is higher.**
- xii. Pricing
- At what price will the product(s) be sold/the service be offered? **Tomatoes 2tjs, carrots 7tjs, onions 3tjs**
  - How may the price vary over time? **Depends on the production of the crop being produced.**
  - When will the client pay? **After the sale of products**

### 3- Organization and Technology

- vii. Business management
- How will the business/investment be managed? **Some of funds From Bank and some from farm income.**
  - Who will take the day-to-day decisions? **Head of the farm**
  - Within your applicant group, who plays which role? -
  - Have you managed a business before? **Works in the farm from 1984**
  - Would you need training or support on managing the business in terms of contracts with suppliers and clients? **No**
  - Do you know who can provide this training or support and what the charges would be? **No**
  - Would you need training or support on managing the accounts and finances of the business? **No**
  - Do you know who can provide this training or support and what the charges would be? **No**
  - What different types of employees will the business need to hire – both full-time and part-time? **Part-time employees in the session time**
- viii. Technology
- What kind of technology or production techniques will be used? **No**
  - What future maintenance needs are expected for the equipment etc.?

ix. Technical assistance and training requirements

- Do you need technical training, prior to using the technology/techniques?  
**No**
- If yes, who will provide this training and how much will it cost?

4- Sustainability

ix. Environmental sustainability

- What possible positive or negative impact will the activities have on the environment? For example, is the project expected to have an effect on land uses, soil and water quality, fauna, flora and habitats? **No**
- Does climate change affect the activities proposed and how - what are the key risks? **The higher temprature, hail**

x. Mitigation measures of adverse environmental impact

- What actions will be taken to prevent, reduce or control each of the possible negative environmental impacts? **Rational use of water, less use of chemicals**
- How do you plan to mitigate the effects of climate change on your activities?

xi. Social Impact

- What possible positive or negative impact will the investment project have on the community within which they operate?
- For example, to which extent does the project foster good health and well-being, quality education, social inclusion, decent work or gender equality?  
**By increasing incomes, the well-being of family life will also increase**

xii. Mitigation measures of adverse social impact

In case of a possible negative social impact of the investment project, what actions will be taken to reduce/prevent negative social impact?

5- Risks

v. Principal assumptions and risks

- What do you consider to be the main risks for the proposed investment?

For example:

- availability of raw material supply
- potential increase in costs of production/services
- potential risk of decrease in sales price
- potential unpredictability in demand volume
- **climate related risk to operations, such as floods, droughts, plant, animal diseases**

vi. Possible mitigation strategies

- What actions will be taken to reduce the identified risks?

**Planting resistance seeds to droughts, healthy feeds for animals**

Tomato 1 ha

1. Tillage, chiseling -30l fuel= 1200tjs
2. Sowing – 55,000 seedlings (200g seeds-400tjs)
3. Organic fertilizer – 20 t=1000tjs
4. Mineral fertilizer – Nitroammofos (300kg)= 600tjs
5. Watering - 6= 120tjs
6. Pesticides – 200tjs
7. Weeding – 2000tjs
8. Harvest – 40-t
9. Price – 1kg=-2,5tjs
- 10.

**Harvest cost = 40 t x 2,5tjs/kg=10000tjs**

**income =10000tjs – 5520tjs=4,480tjs**

**expenses = 4,480tjs**

Shahzod private farm

1- Overview

vii. Background and justification

- Who is the investor/beneficiary? (Please bear in mind that children cannot be direct beneficiaries in the case of income generating projects) **The head of farm.**
- What is the product or service that you propose to develop?
  - **Shahzod farm, Shoev Bakhtiyori head of the farm, 6 members**
  - **The total area -8ha (3ha- wheat, 5 lucerne) 14 milky cows.**
  -

viii. Main product(s) or service(s)

- What are the production activities or services of the operation? (Describe the operation)seeds of **seeds of wheat, lucerne, pressed straw of wheat and lucerne hay**

2- Market

xiii. Sales and distribution

- Who will be your customer? **Population, market and intermediaries**
-

- Are there different customers/markets that you aim for, where are they and how will you reach them? -
- Are there already any relationships with potential customers? **Yes**
- Can volumes be specified for certain outlets that you have identified as customers?
- How will you attract new clients? **through intermediaries**

xiv. Supply linkages

- What kind of materials or services will you have to source externally? **Harvester, mower, cultivator**
- Who will be the suppliers? - **Agrolizing, Bank**
- How do you plan to organize the supply of these materials or services (e.g. contractual arrangements)? -**Contractual arrangements**
- What do you foresee as supply risks and how do you plan to manage those risks?

xv. Competition analysis

- Who are the possible competitors? **The neighboring farms**
- Where are they located? **In the same district**
- How are you better or different from the competition?  
**The quality of the products is higher.**

xvi. Pricing

- At what price will the product(s) be sold/the service be offered?  
**1 kg seeds of wheat – 4tjs, lucerne npecc – 15-30tjs, wheat press -10-12tjs**
- How may the price vary over time? **Depends on the production of the crop being produced.**
- When will the client pay? **After the sale of products**

3- Organization and Technology

x. Business management

- How will the business/investment be managed? **From farm income.**
- Who will take the day-to-day decisions? **Head of the farm**
- Within your applicant group, who plays which role? -
- Have you managed a business before? **Worked in the kolkhoz**
- Would you need training or support on managing the business in terms of contracts with suppliers and clients? **No**
- Do you know who can provide this training or support and what the charges would be? **No**
- Would you need training or support on managing the accounts and finances of the business? **No**
- Do you know who can provide this training or support and what the charges would be? **No**



- What different types of employees will the business need to hire – both full-time and part-time? **Part-time employees in the session time**

xi. Technology

- What kind of technology or production techniques will be used?  
**Traditional**
- What future maintenance needs are expected for the equipment etc.?

xii. Technical assistance and training requirements

- Do you need technical training, prior to using the technology/techniques?  
**Yes**
- If yes, who will provide this training and how much will it cost? **NPO**

4- Sustainability

xiii. Environmental sustainability

- What possible positive or negative impact will the activities have on the environment? For example, is the project expected to have an effect on land uses, soil and water quality, fauna, flora and habitats? **No**
- Does climate change affect the activities proposed and how - what are the key risks? **The higher temprature, rain.**

xiv. Mitigation measures of adverse environmental impact

- What actions will be taken to prevent, reduce or control each of the possible negative environmental impacts? **Rational use of water, less use of chemicals**
- How do you plan to mitigate the effects of climate change on your activities?

xv. Social Impact

- What possible positive or negative impact will the investment project have on the community within which they operate?
- For example, to which extent does the project foster good health and well-being, quality education, social inclusion, decent work or gender equality?  
**By increasing incomes, the well-being of family life will also increase**

xvi. Mitigation measures of adverse social impact

In case of a possible negative social impact of the investment project, what actions will be taken to reduce/prevent negative social impact?

5- Risks

vii. Principal assumptions and risks

- What do you consider to be the main risks for the proposed investment?

For example:

- availability of raw material supply
- potential increase in costs of production/services
- potential risk of decrease in sales price
- potential unpredictability in demand volume
- **climate related risk to operations, such as floods, droughts, plant, animal diseases**

viii. Possible mitigation strategies

- What actions will be taken to reduce the identified risks?

### **Planting resistance seeds to droughts, healthy feeds for animals**

#### **Wheat 1ha**

1. Tillage, chiseling = 2000 tjs
2. Sowing – 250kg seed= 2000 tjs
3. Organic fertilizer – 8 t= 800tjs
4. Mineral fertilizer = 1,600tjs
5. Watering -= 200tjs
6. Pesticides – 400tjs
7. Weeding – 1000tjs
8. Harvest – 4t
9. Price – 1kg=4tjs
10. Combine harvest= 1000tjs (services)
11. Pressed straw - 10tjs x 160= 1600

**Harvest =16000kg-20000tjs**

**income =20000-9000=11000tjs**

**expenses = 9000tjs**

## **Annex 12 Guideline for Provision of Incubation Services**

## Guideline for Provision of Business Incubation Services

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# 1 Outline

## 1.1 Objective

This guideline sets forth the basic approaches and procedures for provision of the services indicated in “1.2 Business incubation services” below. The guideline determines the overall workflow, the tasks to be carried out and the implementation methods of the tasks, and defines the responsibilities of the involved parties. It also includes the formats or templates to be used for performing each of the tasks.

## 1.2 Business incubation services

In this guideline, “Business incubation service” refers to the following services to be provided to SIBI’s customer entrepreneurs and MSEs:

- Consulting service on business planning; and
- Mentoring of MSEs (or Mentorship).

The outlines of the services are shown in the table below:

Table 1. Business Incubation Services

Incubation services	Outline
Consulting service on business planning	<ol style="list-style-type: none"><li>1. <u>Purpose:</u> To support entrepreneurs and MSEs in preparing their business plans and to strengthen through the steps of business planning their skills required to manage their businesses.</li><li>2. <u>Contents:</u> Entrepreneurs/MSEs will prepare their business plans on their own in consultation with the consultants assigned by SIBI/BIP. While preparing their business plans, MSEs will gain in-depth knowledge about their businesses and acquire skills required to efficiently operate/manage their businesses. The business plans prepared by MSEs seeking financing or partnership will be presented to potential investors, partners, and financial institutions (under the BIP’s activities for the Improvement of MSEs’ Access to Finance).</li><li>3. <u>Beneficiaries:</u> In order to apply for this service, entrepreneurs and MSEs must meet the following requirements:<ul style="list-style-type: none"><li>• Have a feasible business idea or be already running a business;</li><li>• Have basic knowledge of business; and</li><li>• Be willing to spend adequate time on preparation of a business plan.</li></ul></li><li>4. <u>Duration:</u> The consulting service will be in principle provided for up to three months. Within the period, the beneficiary, in cooperation with the consultant, must complete his or her business plan.</li></ol>

Mentoring of MSEs (Mentorship)	<p>Two types of mentoring service will be provided to SIBI's customer entrepreneurs and MSEs: (1) Mentoring for transferring knowledge and skills required for specific business tasks and (2) Mentoring for sharing practical knowledge and experience. The outlines of these services are the following:</p> <p>(1) Mentoring for transferring knowledge and skills required for specific business tasks</p> <ol style="list-style-type: none"> <li>1. <b>Purpose:</b> To transfer to SIBI's customer entrepreneurs/MSEs knowledge and skills required in completing specific tasks related to running businesses or complying with legal obligations (e.g. preparing financial statement, introducing a bookkeeping system, filing tax return, etc.).</li> <li>2. <b>Contents:</b> SIBI/BIP will identify the knowledge and skills needed by the mentee and assign to the mentee a mentor with expertise in the relevant field (a consultant). The consultant and the mentee hold consultation meetings at the business incubator, during which the consultant provides advice and supports the mentee in accomplishing the business tasks that need to be tackled.</li> <li>3. <b>Beneficiary:</b> In order to benefit from this service, entrepreneurs/MSEs must meet the following requirements: <ul style="list-style-type: none"> <li>• Be already running a business;</li> <li>• Have basic knowledge of business; and</li> <li>• Have a (preliminary) business plan prepared.</li> </ul> </li> <li>4. <b>Duration:</b> Until the specified task(s) is completed.</li> </ol> <p>(2) Mentoring for sharing practical knowledge and experience</p> <ol style="list-style-type: none"> <li>1. <b>Purpose:</b> To share with SIBI's customer entrepreneurs/MSEs practical knowledge and experience in managing their businesses.</li> <li>2. <b>Contents:</b> SIBI/BIP will assign a mentor with extensive business experience (a businessperson) to the entrepreneur/MSE selected as a mentee. The mentor and the mentee meet regularly, discuss their businesses, and share experiences during their meetings.</li> <li>3. <b>Beneficiary:</b> Beneficiaries of this service must meet the following requirements: <ul style="list-style-type: none"> <li>• Be already running a business or prepared to start their businesses; and</li> <li>• Have a (preliminary) business plan prepared.</li> </ul> </li> <li>4. <b>Duration:</b> Mentees will receive this service in principle up to one year.</li> </ol>
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### 1.3 Target area

The business incubation services will be provided to entrepreneurs and MSEs primarily in Dushanbe and eight districts in Sugd, DRS, and Hatlon regions. The table below shows the target districts and the SIBI's business incubators in charge of delivery of the services in the districts:

Table 2. Target area

Region	No	District	Business incubator in charge
Dushanbe	1	Dushanbe	Dushanbe business incubator
DRS	2	Vahdat	Dushanbe business incubator
	3	Rasht	Dushanbe business incubator
Hatlon	4	Kulyab	Kulyab/Dushanbe business incubator
	5	Hamadoni	Kulyab/Dushanbe business incubator
	6	Vose	Kulyab/Dushanbe business incubator
	7	Huroson	Dushanbe business incubator
Sugd	8	Asht	Hujand business incubator

## 1.4 Basic approaches

The following are the approaches adopted for the provision of business incubation services.

- A coordinator will be designated in each of the business incubators, who will receive entrepreneurs/MSEs' requests for business incubation services, and plan and organize the entire activities related to the provision of the requested services. A SIBI HQs' staff in charge of business incubation services will support the coordinators as well as ensure coordination among SIBI HQs, the business incubators and BIP.
- The business incubation services will be provided by consultants and mentors identified by SIBI/BIP. In each of the target districts, BIP together with SIBI will identify prospective consultants (including those selected from the SIBI's staff members) and mentors. SIBI/BIP will verify their fields of expertise and willingness to cooperate, negotiate conditions of collaboration, and sign with each of them an MOU presented in "6.5 Attachment-5: MOU on provision of consulting service on business planning", "6.9 Attachment-9: MOU on provision of mentorship (1)", and "6.10 Attachment-10: MOU on provision of mentorship (2)". The information about these consultants and mentors will be shared with the business incubators so that the coordinators will be able to assign them to the entrepreneur/MSE who requested such services.
- BIP will provide technical support to the SIBI HQs' staff in charge of incubation services and the coordinators in the business incubators in planning, organizing and monitoring the business incubation services. Since the consultants and mentors may not necessarily have the communication skills to transfer their knowledge to the entrepreneurs, BIP will provide them with required guidance when necessary.
- The business incubation services will be provided to entrepreneurs and MSEs free of charge (see "5 Financing costs" for details).

## 2 Responsibilities of the actors

A business incubation service must be tailored for the needs of the entrepreneur or MSE who requested the service. The coordinators in the business incubators must determine the most appropriate support required for the entrepreneurs/MSEs, monitor the progress/quality of the services being provided, and supervise the consultants and mentors. The table below shows the responsibilities of the actors:

Table 3. Responsibilities of actors

	Actors	Responsibilities
1	SIBI HQs' staff in charge of business incubation services	<ul style="list-style-type: none"> <li>• Identify prospective consultants and mentors together with BIP project officers, and share the information of the consultants/mentors with the business incubators</li> <li>• Provide technical support to the coordinators of business incubators</li> <li>• Consolidate reports of business incubation services provided by business incubators and resolve problems (if any)</li> <li>• Ensure coordination among SIBI, BIP and business incubators</li> </ul>
2	Coordinators of business incubators	<ul style="list-style-type: none"> <li>• Receive entrepreneur/MSE's request/application for business incubation services</li> <li>• Clarify entrepreneur/MSE' needs and determine the details of the support required for them</li> <li>• Select the consultant, mentor, and SIBI staff member who delivers</li> </ul>

		<ul style="list-style-type: none"> <li>the service</li> <li>Plan and prepare for provision of the service</li> <li>Initiate the provision of the service</li> <li>Monitor the progress of the service being provided and evaluate its results</li> <li>Compile data of provided services</li> </ul>
3	Consultants/Mentors/SIBI staff members	<ul style="list-style-type: none"> <li>Provide the incubation services</li> <li>Prepare reports on the provided incubation services</li> </ul>
4	SIBI's staff in charge of marketing and advertising	<ul style="list-style-type: none"> <li>Disseminate information about SIBI's business incubation services through mass media, the SIBI's homepage and SNS</li> </ul>
5	BIP	<ul style="list-style-type: none"> <li>Together with SIBI HQs' staff in charge of business incubation services, identify prospective consultants and mentors who will provide business incubation services</li> <li>Purchase materials required for business incubation services (if any)</li> <li>Provide technical support to the coordinator, consultants, mentors and SIBI's staff members while resolving problems if any</li> <li>Make payments to external consultants/mentors</li> <li>Evaluate the overall effectiveness of the business incubation services</li> </ul>

### 3 Procedures for provision of business incubation services

#### 3.1 Verification of applicants' eligibility

The coordinators of the business incubators will receive entrepreneurs/MSEs' requests for business incubation services. Entrepreneurs and MSEs applying for a business incubation service (applicants) must consult the coordinator in-person by visiting the business incubator.

When receiving a request for a business incubation service, the coordinator must make sure if the requested service is appropriate for the applicant by verifying the latter's fulfillment of the requirements for eligibility set forth in [Table 1](#).

Upon the verification of the applicant's fulfillment of the requirements, the following steps should be taken:

- (a) Applicants who have neither a business nor a concrete business idea will not be accepted as a beneficiary of the business incubation services. The coordinator will offer them Basic of Business (BoB) training or other types of services being provided at SIBI.
- (b) Since a prerequisite for rendering the consulting service on business planning or the mentoring by consultants is that the beneficiary has minimal essential knowledge of business, the coordinator will first verify whether the applicant attended BoB training or an equivalent in the past. If not, the applicant will be interviewed and his or her knowledge of business will be assessed.<sup>1</sup> Those applicants who are deemed not to have sufficient knowledge of business must be first offered BoB training and then afterwards, whether they will proceed to the next step will be discussed.
- (c) Since one of the requirements for provision of mentorship is that the applicant has a (preliminary) business plan prepared, those applicants who have not prepared one yet will be requested to prepare and submit a (preliminary) business plan. Applicants who have failed to submit their (preliminary) business plan will be advised to receive BoB training.

The coordinator will share with SIBI/BIP the information about the applicants who have cleared

<sup>1</sup> The applicant may be requested to take the test that BoB trainees take at the end of a training session. In order to qualify for the support, the applicant must score more than 80%.



the above screening. With the consent by SIBI/BIP, the applicants will be accepted as beneficiaries and their requests will be registered in “6.1 Attachment-1: Registry of requested services.”

The entrepreneurs/MSEs who have received the following services provided at SIBI can also be accepted as mentees:

- BoB training;
- Support provided under the Start-up Mini-Financing Scheme; and
- Consulting service on business planning.

## **3.2 Provision of consulting service on business planning**

### **3.2.1 Tasks and implementation methods**

The tasks of the provision of consulting service on business planning are the following:

- Determine the contents of the support that needs to be provided;
- Prepare for provision of the service;
- Provide the consulting service on business planning; and
- Monitor the service being provided and resolve problems.

#### **(1) Determine the contents of the support that needs to be provided**

The beneficiary must prepare and submit to the coordinator the initial draft of his or her business plan, based on which the coordinator will determine the details of the consulting service to be provided to the beneficiary. If the beneficiary has neither attended a BoB training session nor prepared his/her business plan, the coordinator will encourage him/her to take a BoB training session. Alternatively, the coordinator can provide the beneficiary with the BoB manual so that the beneficiary can prepare a preliminary business plan on his/her own by consulting the manual.

Upon the receipt of the beneficiary’s preliminary business plan, the coordinator will specify the beneficiary’s skills to be strengthened by comparing the contents of the preliminary business plan with the checklist shown in “6.3 Attachment-3: Checklist for a business plan” and interviewing the beneficiary. Based on the findings, coordinator will determine the general contents of the support required for the beneficiary.

With the beneficiary’s consent, the coordinator will finalize the contents of the consulting service and fill the relevant details in the format shown in “6.2 Attachment-2: Order for provision of business incubation service.”

#### **(2) Prepare for provision of the service**

The preparations for the consulting service on business planning are the following:

- (a) Select a consultant:** Based on the contents of the support required for the beneficiary, the coordinator will select a consultant (or consultants) suitable for the beneficiary from the list of consultants provided by SIBI/BIP. The coordinator will email to the selected consultant, for his or her perusal, the prepared Order for Provision of Business Incubation Service as well as the beneficiary’s preliminary business plan.
- (b) Prepare items required for provision of the consulting service:** The coordinator will prepare items required for providing the consulting service. The task includes printing formats to be filled during the provision of the service and reference materials (if any), and preparing consumables such as masks, tissue paper and antiseptic solution to be used during consultation meetings. BIP will provide the coordinator with the required consumables.

(c) **Prepare a plan for consulting service:** Having completed the above preparations, the coordinator will organize a kick-off meeting, during which the parties (the coordinator, the beneficiary and the consultant) will verify the principles or terms and conditions to be respected during the consulting service (see “(3) Provide the consulting service on business planning” below for details) and decide the detailed contents of the consultancy required for the beneficiary as well as the duration of the consulting service (depending on the business, the service term will be from 0.5 to 3 months). The results will be filled in the format shown in “6.4 Attachment-4: Plan for provision of consulting service on business planning” and shared with SIBI/BIP. With the approval by SIBI/BIP, the coordinator will start the consulting service.

### (3) Provide the consulting service on business planning

The consultant will provide the consulting service to the beneficiary. The following terms and conditions will be applied to the provision of the service.

**Basic principle:** The beneficiary, in consultation with the consultant, will carry out the tasks indicated in the “Plan for provision of consulting service”, and complete his or her business plan within the period specified in the plan. The service term can be extended based on the mutual consent by the beneficiary and the consultant; however, the extension of the service term will not affect the remuneration of the consultant unless his/her scope of work significantly changes.

**Delivery method:** The consulting service will be provided through consultation meetings at the business incubator,<sup>2</sup> during which the consultant verifies the progress of the tasks being implemented by the beneficiary and provide necessary advice on the subsequent tasks. Much attention should be paid to the data collection and analysis method, as well as to the structure and presentation of the business plan.

At the end of each meeting, the consultant and the beneficiary will prepare a meeting record that covers the following contents:

- Topics discussed and the degree of beneficiary’s understanding on the topics;
- Tasks to be completed until the next session; and
- Progress of the business plan.

The meeting record must be prepared in the format shown in “6.7 Attachment-7: Meeting record” and submitted to the coordinator after signed by both the consultant and the beneficiary.

**Deliverables:** The final output of the consulting service is the beneficiary’s business plan. After the completion of the service, the consultant will evaluate the prepared business plan by referring to the checklist set forth in “6.3 Attachment-3: Checklist for a business plan” and prepare a service delivery report in the format shown in “6.6 Attachment-6: Report on delivery of consulting service on business planning”, and submit the documents to SIBI/BIP.

### (4) Monitor the service being provided and revolve problems.

The coordinator will monitor the consulting service being provided to the beneficiary.<sup>3</sup> The purpose of monitoring is to ensure the quality of the consulting service by detecting problems and resolving them immediately.

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<sup>2</sup> The consultant should inform the coordinator about the schedule of consultation meetings so that a room or space will be arranged within the business incubator.

<sup>3</sup> Depending on the intensity of consulting services being provided simultaneously, the business incubator may designate an assistant to the coordinator who supports the coordinator in conducting timely monitoring of all the consulting services.

The monitoring will be conducted by the following means:

- **Verification of the meeting records:** Upon submission of a consultation meeting record, the coordinator will verify its contents and make sure that the service is being conducted properly.
- **Observation of consultation meetings:** From time to time the coordinator will attend the consultation meeting and observe how the consulting service is being implemented. During the meeting, the coordinator will verify the progress and achievements, the beneficiary's satisfaction toward the service, and the presence of problems in the relationship between the parties. The findings will be recorded in the format shown in "6.8 Attachment-8: Monitoring report" and shared with SIBI/BIP. Observation of the consultation meeting will be conducted at least twice throughout the provision of the service.
- **On-demand monitoring:** Any requests or complaints from the parties can be submitted to the coordinator at any time. Upon receiving the requests or complaints, the coordinator will conduct interviews with the relevant parties in order to resolve the issue.

If a problem is detected during the above activities, the coordinator will take corrective actions immediately and report the results to SIBI/BIP. When necessary, SIBI/BIP will support the coordinator in solving the problems.

### 3.2.2 Workflow of consulting service on business planning

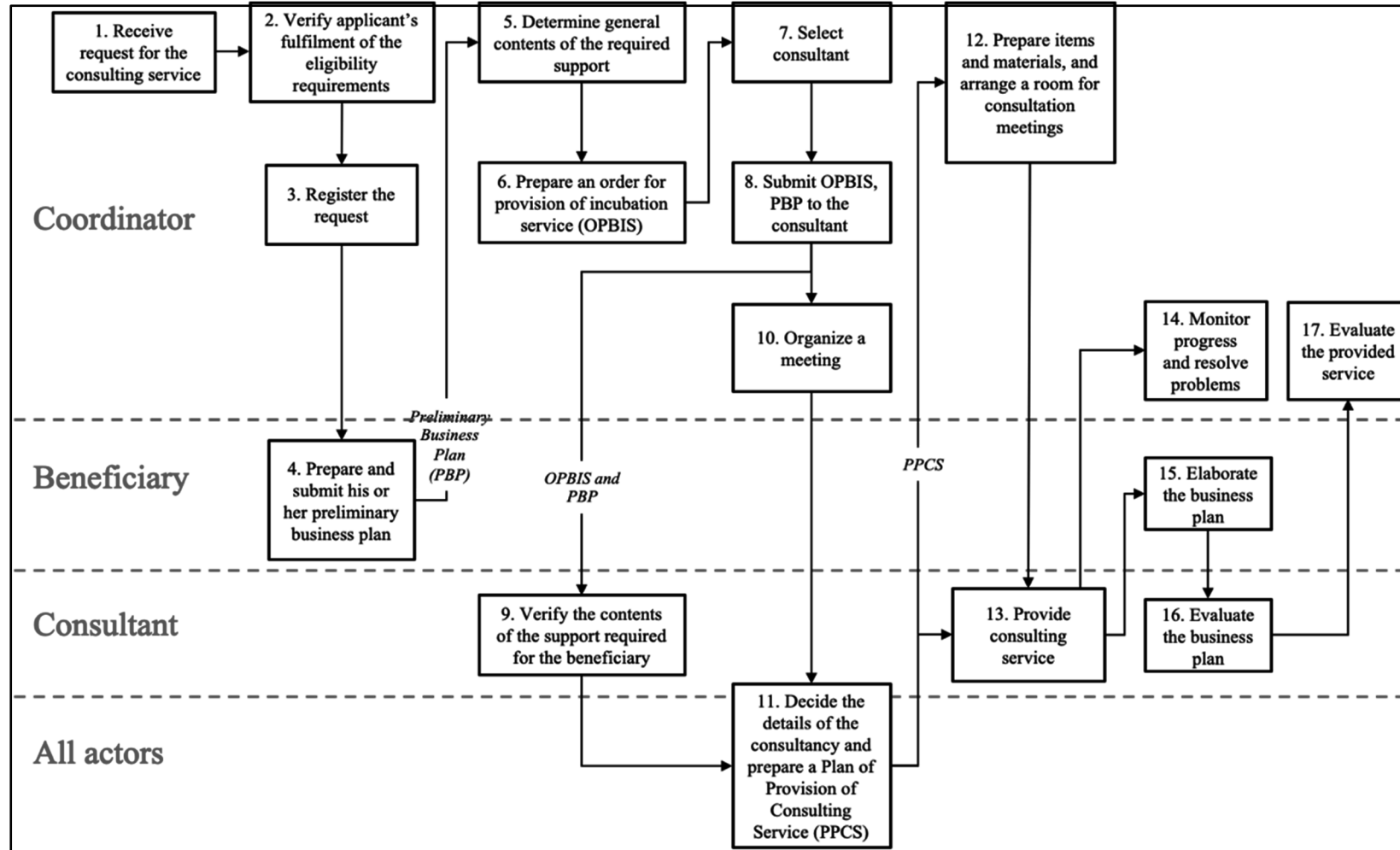


Figure 1. Workflow of consulting service on business planning

### 3.3 Mentoring of MSEs

#### 3.3.1 Tasks and implementation methods

The following tasks will be implemented when mentoring entrepreneurs and MSEs:

- Identify the mentee’s needs for mentorship;
- Prepare for provision of mentorship;
- Provide mentorship; and
- Monitor the progress and resolve problems.

The sections below set forth the details of the methods for performing each of the tasks.

##### (1) Identify the mentee’s needs for mentorship

The entrepreneurs and MSEs accepted as mentees will be requested to fill detailed information about themselves, their businesses, and the purpose or reason for applying for the service in the application form presented in “6.11 Attachment-11: Application for mentorship.” The filled application form must be submitted to the coordinator along with their (preliminary) business plans. When necessary, the coordinator will support the mentees in filling the application form.

The coordinator will examine the submitted documents and when necessary, request the mentee to clarify the contents so that the coordinator can better understand the mentee’s needs.

Based on the findings, the coordinator will determine the mentoring service appropriate for the mentee between the two types of mentoring services: Mentoring for transferring knowledge and skills required for specific business tasks or Mentoring for sharing practical knowledge and experience.

Referring to the details provided in the application, the coordinator will prepare an order for mentoring (the format is shown in “6.2 Attachment-2: Order for provision of business incubation service”) which will be shared with the mentor to be selected for the mentee.

##### (2) Prepare for provision of mentorship

The following tasks will be completed at the preparatory stage of each of the mentoring services:

Mentoring for transferring knowledge and skills required for specific business tasks	Mentoring for sharing practical knowledge and experience
<p><b>1. Select the mentor:</b> With the details provided by the mentee in the application, the coordinator will select a mentor suitable for the mentee from the list of consultants provided by SIBI/BIP.</p> <p><b>2. Provide the mentor with required information:</b> The coordinator will email to the mentor the mentee’s information, the (preliminary) business plan submitted by the mentee, and the order for business incubation service in order to allow him/her to understand the mentee’s needs.</p> <p><b>3. Prepare items required for mentoring meetings:</b> Mentoring meetings will be hold at the business incubator. The coordinator will prepare items (printed formats to be filled during the provision of the service, and sanitary items such as masks, tissue paper and antiseptic solution) to be used during the mentoring meetings. BIP will provide the coordinator with the required sanitary items.</p>	<p><b>1. Select the mentor:</b> Same as left.</p> <p><b>2. Provide the mentor with required information:</b> Same as left.</p> <p><b>3. Organize a kick-off meeting:</b> Having completed the above preparations, the coordinator will organize a kick-off meeting, during which the mentor and the mentee introduce themselves to each other and decide the details of their mentoring plan.</p> <p>During the meeting, the coordinator will brief the mentor and the mentee on the rules set forth in “(3) Provide mentorship” below. With the facilitation by the coordinator, the mentor and the mentee will discuss and determine the following items:</p> <ul style="list-style-type: none"> <li>• Goals to be achieved through the mentoring;</li> <li>• Details of the support required for the mentee;</li> </ul>

<p><b>4. Prepare a plan for consulting service:</b> Having completed the above preparations, the coordinator will organize a kick-off meeting, during which the mentor and the mentee will verify the principles or terms and conditions to be respected during the consulting service (see “(3) Provide mentorship” below for details) and the goals to be achieved through the mentoring, and set the tasks to be tackled under each of the goals.</p> <p>The results will be filled in the format shown in “6.12 Attachment-12: Mentoring plan” and shared with SIBI/BIP. With the approval by SIBI/BIP, the coordinator will start the mentoring service.</p>	<ul style="list-style-type: none"> <li>• Communication methods;</li> <li>• Confidential information; and</li> <li>• Topics and schedule for the upcoming mentoring sessions.</li> </ul> <p>Based on the results, the coordinator will prepare the mentoring plan in the format shown in “6.12 Attachment-12: Mentoring plan” and submit the plan to SIBI/BIP. With the approval by SIBI/BIP, the coordinator will start the mentoring will be started.</p>
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### (3) Provide mentorship

The following rules or terms and condition will be applied to the provision of each mentoring service:

<p>Mentoring for transferring knowledge and skills required for specific business tasks</p>	<p>Mentoring for sharing practical knowledge and experience</p>
<p><b>Basic principle:</b> The mentee, with the support of the mentor, will carry out the tasks indicated in the mentoring plan. By completing the tasks on his/her own, the mentee will acquire the required knowledge and skills.</p> <p><b>Service term:</b> Depending on the contents of the support, the service term will be in principle from 0.5 to 3 months.</p> <p><b>Delivery method:</b> The mentoring will be provided through mentoring meetings,<sup>4</sup> during which the mentor verifies the progress of the tasks being implemented by the mentee and provide necessary advice on the subsequent tasks.</p> <p><b>Documentation:</b> The mentor and mentee must record the contents of mentoring meetings in the format presented in “6.7 Attachment-7: Meeting record” and submit the meeting record to the coordinator after each mentoring meeting. The information to be recorded is the topics discussed and the degree of mentee’s understanding on the topics, tasks to be completed until the next meeting, and the overall evaluation of the achievements.</p> <p><b>Deliverables:</b> After the completion of the service, the mentor will evaluate the mentee’s overall performance and prepare a service delivery report in the format shown in “6.13 Attachment-13: Report on delivery of mentoring of MSEs” and submit it to SIBI/BIP.</p>	<p><b>Service term:</b> The mentoring will be provided to the mentee in principle for up to one year or until the goals set in the mentoring plan are attained.</p> <p><b>Delivery method:</b> The mentoring will be conducted through in-person meetings by the means of communication decided between the mentor and the mentee. Both parties should make efforts in maintaining frequent communication. The in-person meeting must be conducted at least once a month.</p> <p><b>Confidentiality:</b> Neither the mentor nor the mentee must disclose the confidential information about the other party’s business to a third party without the other party’s consent.</p> <p><b>Documentation:</b> The mentor and mentee must record the contents of mentoring meetings in the format presented in “6.7 Attachment-7: Meeting record” and submit the meeting record to the coordinator after each mentoring meeting. The information to be recorded is the topics discussed, tasks to be completed until the next meeting, and the overall evaluation of the achievements.</p>

### (4) Monitor the progress and resolve problems

The coordinator will monitor the progress of the service being provided to the mentee through the

<sup>4</sup> The meetings of the mentoring for transferring knowledge and skills required for specific business tasks will be held at the business incubator. The mentor should inform the coordinator about the schedule of the mentoring meetings so that a room or space will be arranged within the business incubator.

following means:

- **Verification of the meeting records:** Upon submission of a mentoring meeting record, the coordinator will verify its contents and make sure that the service is being conducted properly.
- **Observation of a mentoring meeting:** At least once a quarter, the coordinator will attend a mentoring meeting and observe how the mentoring is being implemented. During the observation, the coordinator will verify the progress and achievements, the mentee's satisfaction toward the service, and the presence of problems in the relationship between the parties. The obtained information will be recorded in the format shown in "6.8 Attachment-8: Monitoring report" and shared with SIBI/BIP.
- **On-demand monitoring:** Any requests or complaints from the parties can be submitted to the coordinator at any time. Upon receiving the requests or complaints, the coordinator will conduct interviews with the relevant parties in order to resolve the issue.

If a problem is detected during the above activities, the coordinator will take corrective actions immediately and report the results to SIBI/BIP. When necessary, SIBI/BIP will support the coordinator in solving the problems.

### 3.3.2 Workflow of mentoring of MSEs

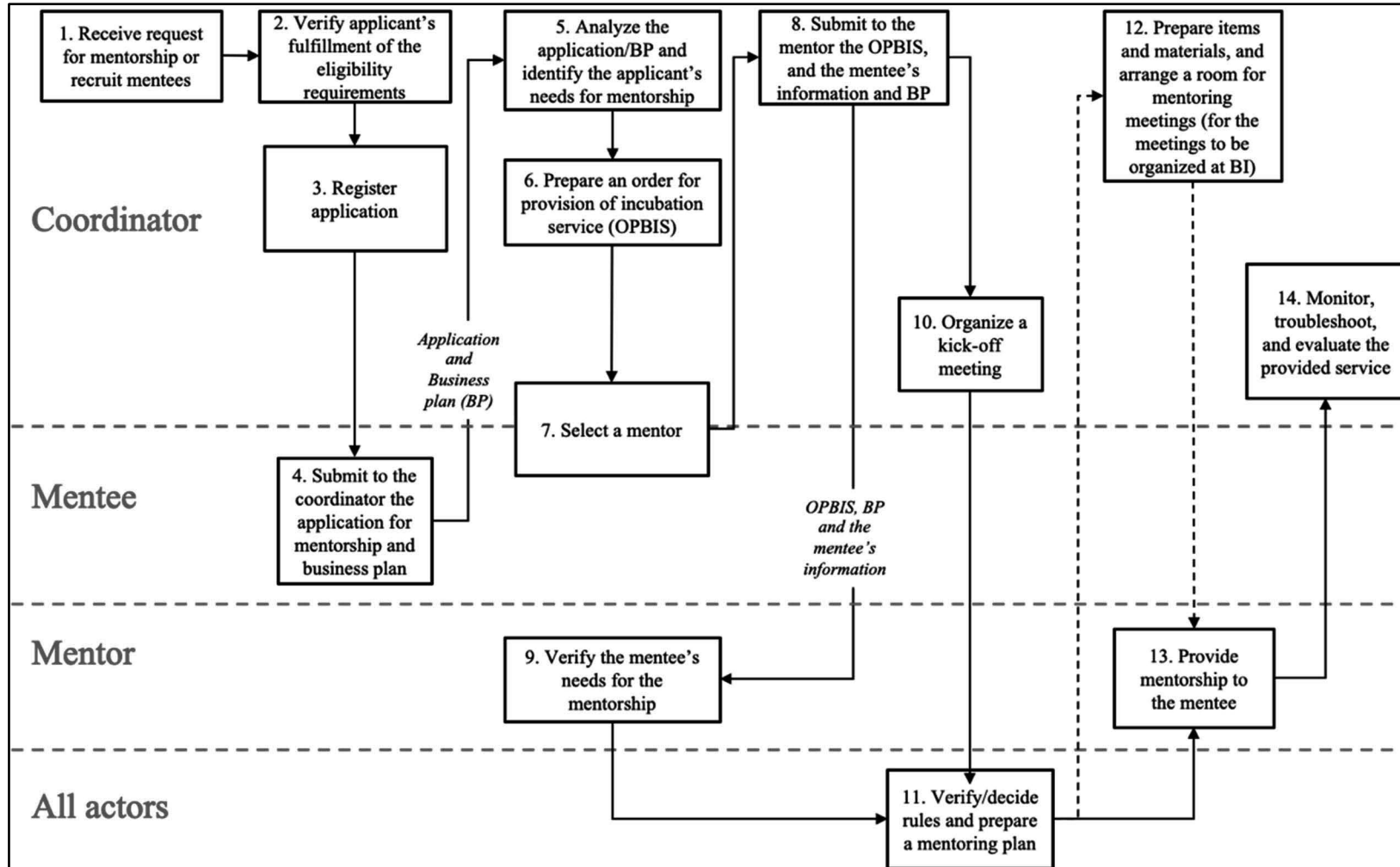


Figure 2. Workflow of mentoring of MSEs



## 4 Document management

All documents generated during preparation and provision of the business incubation services will be classified, filed into folders, and managed in accordance with the SIBI's Guideline on Document Management.

## 5 Financing costs

The expenses of the incubation services are financed in accordance with the following principles:

Table 4. Principles to finance costs of the business incubation services

Incubation services	Details
Consulting service on business planning	<ul style="list-style-type: none"><li>• The consulting service on business planning will be in principle provided at the business incubators; rooms and equipment will be provided by SIBI free of charge.</li><li>• All other expenses of consulting service on business planning will be borne by BIP. The expenses include the consultants' remuneration and costs of sanitary items (masks, tissue paper and antiseptic solution) required for consultation meetings. BIP will pay the consultant's remuneration directly to the consultants in accordance with the MOU signed with them.</li></ul>
Mentoring of MSE	<p>(1) Mentoring for transferring knowledge and skills required for specific business tasks</p> <ul style="list-style-type: none"><li>• BIP will pay the remuneration of the mentors and the costs of sanitary items to be used during mentoring meetings.</li><li>• The mentoring will be provided at the business incubators; rooms and equipment will be provided by SIBI free of charge.</li></ul> <p>(2) Mentoring for sharing practical knowledge and experience</p> <ul style="list-style-type: none"><li>• Venues of mentoring meetings will be in principle decided by the mentor and mentee. When meetings are conducted outside the business incubators, relevant costs will be borne by the mentor and mentee.</li><li>• When meetings are conducted at the business incubators, BIP will procure and provide sanitary items (masks, tissue paper and antiseptic solution). In accordance with the MOU signed with the mentors, BIP will reimburse to the mentors the relevant costs if inter-city transportation is required for mentoring purposes.</li></ul>



**6.2 Attachment-2: Order for provision of business incubation service**

**Order for Provision of Business Incubation Service**

State Institution "Formation and Development of  
Entrepreneurship in Tajikistan"

Business Incubator: \_\_\_\_\_

Address: \_\_\_\_\_

Tel: \_\_\_\_\_ E-mail: \_\_\_\_\_

Order No.: \_\_\_\_\_ Date: \_\_\_\_\_

Requested service (tick):

- Consulting service on business planning
- Mentorship (circle the type of the mentorship):
  - a. Mentoring for transferring knowledge and skills required for specific business tasks
  - b. Mentoring for sharing practical knowledge and experience

Beneficiary:

Full name: \_\_\_\_\_

Name of organization / business: \_\_\_\_\_

Tel No.: \_\_\_\_\_ E-mail address: \_\_\_\_\_

Details of the support to be provided:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Deliverables:

1. \_\_\_\_\_
2. \_\_\_\_\_

Date of delivery/Service duration:

Deadline (date): \_\_\_\_\_

From (date): \_\_\_\_\_ Till (date): \_\_\_\_\_

Attached materials: \_\_\_\_\_

Coordinator: \_\_\_\_\_ (signature)\_\_\_\_, \_\_\_\_\_ (name)\_\_\_\_, position: \_\_\_\_\_

### 6.3 Attachment-3: Checklist for a business plan

The following structure and contents are recommended for business plans to be prepared by beneficiaries of the consulting service on business planning.

#### (1) Structure of a preliminary business plan

Section1. Executive summary

Section2. Description of the business

Section3. Marketing plan

Section4. Production and operation plan

Section5. Management and organization plan

Section6. Financial plan

#### (2) Contents

Sections	Information to be presented
Executive summary	<ul style="list-style-type: none"> <li>• Distinction between the beneficiary's product/service and those available on the market, and major selling points of the beneficiary's product/service.</li> <li>• Information about success factors or possible risks and approaches for dealing with them.</li> <li>• Total fund required for the business and the financing needs (if any).</li> </ul>
Description of the business	<ul style="list-style-type: none"> <li>• Detailed information about product/service</li> <li>• Legal status and location of the business</li> <li>• Applicant's past experiences</li> <li>• Goals and objectives</li> </ul>
Marketing plan	<ul style="list-style-type: none"> <li>• Market information including target customers, characteristics, location, size, trend in the demand for the product</li> <li>• Industry information including main competitors, their market shares, and the quality and prices of the competitors' products/service</li> <li>• The 4Ps planned for the beneficiary's business</li> </ul>
Operation plan	<ul style="list-style-type: none"> <li>• Production processes and skills required</li> <li>• Planned monthly production/operation volume</li> <li>• List of required tools, equipment and other fixed assets</li> <li>• Estimation of raw materials and consumables</li> <li>• Suppliers' information</li> </ul>
Management and organization plan	<ul style="list-style-type: none"> <li>• Number of employees required for the business</li> <li>• List of employees, with information about their skills and experience</li> <li>• Recruitment and capacity development plans</li> </ul>
Financial plan	<ul style="list-style-type: none"> <li>• Estimation of initial investment (the money to purchase tools, equipment, and other fixed assets)</li> <li>• Estimation of pre-operational cost (patent/certificate fee, costs of business registration, etc.)</li> <li>• Estimation of monthly production/operation costs</li> <li>• Financial sources</li> <li>• Projected cash flow statement</li> <li>• Projected income statement</li> </ul>

**6.4 Attachment-4: Plan for provision of consulting service on business planning**

**Plan for Provision of Consulting Service on Business Planning**

Business Incubator in charge: \_\_\_\_\_

Date: \_\_\_\_\_

**Consultant's information:**

Full name: \_\_\_\_\_

Organization: \_\_\_\_\_, Position: \_\_\_\_\_

**Beneficiary's information:**

Full name: \_\_\_\_\_

Organization: \_\_\_\_\_, Position: \_\_\_\_\_

**Tasks to be implemented (reference):**

	Objectives	Tasks
1	Prepare a marketing plan	(1) Conduct market research (collect data on similar products/services available on the market, competitors and customers) (2) Determine the beneficiary's target customers and their needs (3) Determine the 4Ps for the beneficiary's business
2	Prepare a production/operation plan	(1) Identify the production/operation technology (2) Conduct suppliers survey (3) Estimate required items
3	Prepare a management and organization plan	(1) Estimate the required number of employees with the skills required (2) Survey the labor market and prepare recruitment plan (3) Prepare an employee capacity development plan
4	Prepare a financial plan	(1) Estimate required fund (2) Determine financial sources (3) Prepare projected cash flow statement and income statement
5	Prepare a business plan	(1) Compile the results of the above activities into a business plan (2) Write an executive summary

**Planned meeting:** \_\_\_\_\_ times

**Agenda for consultation meetings:**

Meeting-1: \_\_\_\_\_

Meeting-2: \_\_\_\_\_

Meeting-3: \_\_\_\_\_

Meeting-4: \_\_\_\_\_

Meeting-5: \_\_\_\_\_

**Remark:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Duration of the service:** From (date): \_\_\_\_\_ Till (date): \_\_\_\_\_

**Date of submission of the business plan:** \_\_\_\_\_

**Schedule:** (See the appendix)

**Agreed by:**

Consultant: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

Beneficiary: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

Coordinator: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

**Appendix: Tasks and Schedule**

No	Tasks	Person in charge	Start date	End date	Remark

Note: The consultant should inform the coordinator about the schedules of consultation meetings so that a room or space will be arranged in the business incubator.

## **6.5 Attachment-5: MOU on provision of consulting service on business planning**

### **Memorandum of Understanding on Provision of Consulting Service on Business Planning**

This Memorandum of Understanding (hereinafter referred to as “MOU”) is signed among Business Incubation Project (hereinafter called “BIP”), State Institution “Formation and Development of Entrepreneurship in Tajikistan” (hereinafter called “SIBI”) and \_\_\_\_\_ (full name) with the National ID No. \_\_\_\_\_ (hereinafter called “the Consultant”), which states their mutual agreement on the cooperation among the parties in provision of consulting service on business planning (hereinafter called “the consulting service”) to SIBI’s customer entrepreneurs and MSEs.

#### **(1) General provision**

The purpose of this MOU is to determine the terms and conditions when BIP/SIBI uses the Consultant’s service described in “(2) Consulting service.”

Signing this MOU does not oblige either BIP or SIBI to employ the Consultant. The Consultant’s service will be requested when SIBI’s business incubators need the Consultant’s service, and the Consultant will, based on his or her consent, be assigned to SIBI’s customer entrepreneurs and MSEs (hereinafter called “the beneficiary” or “the beneficiaries”) who need the consulting service.

Once the Consultant is assigned to the consulting service, the parties must fulfill the terms and conditions set forth in the following sections.

#### **(2) Consulting service**

The consulting service on business planning is a service through which SIBI supports its beneficiaries in preparing their business plans and strengthens through the steps of business planning their skills required to manage their businesses. The following rules and method will be applied to the provision of the consulting service:

##### **2-1 Basic principle:**

The beneficiary, in consultation with the Consultant, will perform the tasks to be set in the “Plan for provision of the consulting service”. Depending on the business, the service term will be 0.5 to 3 months; the beneficiary, under the support by the Consultant, must complete his or her business plan within the period. The service term can be extended based on the mutual consent by the beneficiary and the Consultant; however, the extension of the service term will not affect the remuneration to the consultant unless his/her scope of work significantly changes.

##### **2-2 Delivery method:**

The consulting service will be provided through consultation meetings at the SIBI’s business incubators, during which the Consultant verifies the results of the implemented tasks and advises the beneficiary on necessary actions. Much attention should be paid to the data collection and analysis method, as well as to the structure and presentation of the business plan.

##### **2-3 Records of the consultation meetings:**

At the end of each consultation meeting, the Consultant and the beneficiary will prepare a meeting record that covers the topics discussed and the degree of the beneficiary’s understanding, the tasks to be completed until the subsequent session, and the progress of the business plan. The meeting record must



be submitted to the SIBI's coordinator after signed by both the Consultant and the beneficiary.

**2-4 Confidential information:**

No information about the beneficiary's business obtained during the consulting service must be disclosed to a third party without the beneficiary's consent.

**2-5 Deliverables:**

The following documents will be submitted to SIBI/BIP:

- Report on delivery of the consulting service on business planning; and
- The beneficiary's business plan prepared through the consulting service.

**(3) Obligations of the parties**

**3-1 SIBI's obligations:**

- Select beneficiaries and identify their skills that need to be strengthened;
- Coordinate among the Consultant, the beneficiary and BIP;
- Provide a venue for consultation meetings; and
- Support the Consultant in performing his or her obligations indicated in "3-2 Consultant's obligations" when necessary.

**3-2 Consultant's obligations:**

- In consultation with the coordinator and the beneficiary, determine the details of the consulting service required for the beneficiary, and prepare a "Plan for provision of the consulting service";
- Support the beneficiary in implementing his/her tasks indicated in the above plan;
- Evaluate the beneficiary's overall performance and assess the business plan prepared through the consulting service;
- Keep records of the consultation meetings and submit them to the SIBI's coordinator; and
- Submit to SIBI/BIP the deliverables indicated in "2-5 Deliverables" in 5 business days after completion of the consulting service.

**3-3 BIP's obligations:**

- Provide SIBI and the consultant with technical support;
- Pay the Consultant the amount indicated in "(4) Payment"; and
- Bear the costs of sanitary items to be used during the consultation meetings.

**(4) Payment**

BIP will pay to the Consultant \_\_\_\_\_ TJS per \_\_\_\_\_ (day / month) as a remuneration upon the submission of the deliverables indicated in "2-5 Deliverables" above.

If field trips need to be conducted in relation to the service being provided to the beneficiary, BIP will pay the following allowances to the Consultant (such trips need prior approval by BIP):

- **40 TJS per day** 40 TJS per day as a per diem;
- **300 TJS per night** 300 TJS per as an accommodation allowance; and
- **50 TJS per one way** as a transportation allowance for intercity travels.

**(5) Covered period**

This MOU shall become effective upon signature by the parties and remain effective until modified or terminated based on the parties' mutual consent.

Date: \_\_\_\_\_

**Business Incubation Project:**

**Consultant:**

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Position: \_\_\_\_\_

Address: \_\_\_\_\_

Tel No.: \_\_\_\_\_

Tel No.: \_\_\_\_\_

**State Institution "Formation and Development of Entrepreneurship in Tajikistan":**

\_\_\_\_\_  
Name: \_\_\_\_\_

Position: \_\_\_\_\_

Address: \_\_\_\_\_

Tel No.: \_\_\_\_\_

**6.6 Attachment-6: Report on delivery of consulting service on business planning**

(To be filled by the consultant)

**Report on Delivery of Consulting Service on Business Planning**

Business Incubator in charge: \_\_\_\_\_

Date: \_\_\_\_\_

**Consultant:**

Full name: \_\_\_\_\_

Organization: \_\_\_\_\_, Position: \_\_\_\_\_

**Beneficiary:**

Full name: \_\_\_\_\_

Organization: \_\_\_\_\_, Position: \_\_\_\_\_

**Consultancy provided:**

Duration of the service: From (date): \_\_\_\_\_ Till (date): \_\_\_\_\_

Number of session hold: \_\_\_\_\_ times; Total hours: \_\_\_\_\_ hours

Contents of the consultancy: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Beneficiary's performance:**

General attitude: \_\_\_\_\_

\_\_\_\_\_

Skills developed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Remarks: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Evaluation of the business plan:**

Overall evaluation: \_\_\_\_\_ (Good / Moderate / Bad)

Remarks and elaboration needed: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Comments and recommendations:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Attachments:**

1. Business plan through the consulting service
2. Others (if any):

\_\_\_\_\_

Prepared by:

Consultant: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

**6.7 Attachment-7: Meeting record**

**Meeting Record**

Business Incubator in charge: \_\_\_\_\_

**Type of the service (tick):**

- Consulting service on business planning
- Mentorship (circle the type of the mentorship):
  - a. Mentoring for transferring knowledge and skills required for specific business tasks
  - b. Mentoring for sharing practical knowledge and experience

**Date of meeting:** \_\_\_\_\_ **Venue:** \_\_\_\_\_

**Participants:**

- 1. Consultant / Mentor: \_\_\_\_\_
- 2. Beneficiary / Mentee: \_\_\_\_\_
- 3. Other: \_\_\_\_\_

**1. Topics discussed:**

Topics	Results and remarks

**2. Tasks to be completed until the next session:**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

**3. Schedule of the next session:**

Date: \_\_\_\_\_, Time: \_\_\_\_\_, Venue: \_\_\_\_\_

**4. Overall evaluation of the achievements** (progress of the business plan / achievement of the goals the mentoring):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Consultant / Mentor: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

Beneficiary / Mentee: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

**6.8 Attachment-8: Monitoring report**

(To be filled by the coordinator)

**Monitoring Report**

Business Incubator in charge: \_\_\_\_\_

**Date of monitoring:** \_\_\_\_\_

**Attendants:**

Coordinator: \_\_\_\_\_

Beneficiary: \_\_\_\_\_

**Service being provided:**

a) Type of the service (tick):

Consulting service on business planning,

Mentorship (circle the type of the mentorship)

1. Mentoring for transferring knowledge and skills required for specific business tasks

2. Mentoring for sharing practical knowledge and experience sharing

b) Started date: \_\_\_\_\_

c) Name of the consultant / mentor: \_\_\_\_\_

**Information obtained through the monitoring:**

1. Beneficiary/Mentee's achievements:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Beneficiary/mentee's satisfaction toward the contents of the service: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

3. Relationship between the consultant/mentor and the beneficiary/mentee: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

4. Problems: \_\_\_\_\_

\_\_\_\_\_

**Results of the monitoring:**

**a) Overall evaluation of the service being provided:**

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**b) Actions required:** \_\_\_\_\_

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**c) Remarks:** \_\_\_\_\_

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Date: \_\_\_\_\_

Prepared by:

Coordinator: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_



## 6.9 Attachment-9: MOU on provision of mentorship (1)

### Memorandum of Understanding on Provision of Mentorship

(Mentoring for transferring knowledge and skills required for specific business tasks)

This Memorandum of Understanding (hereinafter referred to as “MOU”) is signed among Business Incubation Project (hereinafter called “BIP”), State Institution “Formation and Development of Entrepreneurship in Tajikistan” (hereinafter called “SIBI”) and \_\_\_\_\_ (full name) with the National ID No. \_\_\_\_\_ (hereinafter called “the Mentor”), which states their mutual agreement on the cooperation among the parties in provision of mentorship to SIBI’s customer entrepreneurs and MSEs.

#### (1) General provision

The purpose of this MOU is to determine the terms and conditions when BIP/SIBI uses the Mentor’s service described in “(2) The service to be provided.”

Signing this MOU does not oblige either BIP or SIBI to employ the Mentor. The Mentor’s service will be requested when SIBI or its business incubators need the Mentor’s service, and the Mentor will, based on his or her consent, be assigned to mentoring of SIBI’s customer entrepreneurs and MSEs (hereinafter called “the Mentee(s)”).

Once the Mentor is assigned, the parties must fulfill the terms and conditions set forth in the following sections.

#### (2) Service to be provided

The mentorship is a service through which SIBI transfers the Mentee(s) knowledge and skills required in completing specific tasks related to running businesses or complying with legal obligations. The following terms and method will be applied in provision of the service:

##### 2-1 Basic principle:

The Mentee, with the support of the Mentor, will perform the tasks to be set in the “Mentoring plan”. Depending on the support, the service term will be from 0.5 to 3 months, within which the mentee must complete the tasks specified in the above plan. By completing the tasks on his/her own, the mentee will acquire the required knowledge and skills.

##### 2-2 Delivery method:

The mentoring will be provided through mentoring meetings during which the mentor verifies the progress of the tasks being implemented by the mentee and provide necessary advice on the subsequent tasks.

##### 2-3 Records of the consultation meetings:

At the end of each consultation meeting, the Mentor and the Mentee will prepare a meeting record that covers the topics discussed and the degree of the Mentee’s understanding, the tasks to be completed until the subsequent session, and the overall evaluation of the achievements. The meeting record must be submitted to the SIBI’s coordinator after signed by both the Mentor and the Mentee.

##### 2-4 Confidential information:

No information about the mentee’s business obtained during the service must be disclosed to a third party without the Mentee’s consent.

##### 2-5 Deliverable:

After the completion of the service, the mentor will prepare a report on delivery of the mentorship and submit it to SIBI/BIP.

**(3) Obligations of the parties**

**3-1 SIBI's obligations:**

- Select the Mentee, determine the details of the support required for the Mentee and provide the Mentor with information required for him to mentor the Mentee;
- Coordinate among the Mentor, the Mentee, and BIP;
- Provide a venue for mentoring meetings; and
- Support the Mentor in performing his or her obligations indicated in "3-2 Mentor's obligations" when necessary.

**3-2 Mentor's obligations:**

- Support the Mentee in implementing the tasks indicated in the "Mentoring plan" by providing required advice;
- Evaluate the beneficiary's overall performance;
- Keep records of the mentoring sessions and submit them to the SIBI's coordinator; and
- Submit to the SIBI/BIP the deliverable indicated in "2-5 Deliverable" within 5 business days after completion of the mentorship.

**3-3 BIP's obligations:**

- Provide SIBI and the consultant with technical support;
- Pay the Mentor the amount indicated in "(4) Payment"; and
- Bear the costs of sanitary items to be used during the mentoring meetings.

**(4) Payment**

BIP will pay to the Mentor \_\_\_\_\_ TJS per \_\_\_\_\_ (day / month) as a remuneration upon the submission of the report indicated in "2-5 Deliverable" above.

If field trips need to be conducted in relation to the service being provided to the mentee, BIP will pay the following allowances to the Mentor (such trips need prior approval by BIP):

- **40 TJS per day** as a per diem;
- **300 TJS per night** as an accommodation allowance; and
- **50 TJS per one way** as a transportation allowance for intercity travels.

**(5) Covered period**

This MOU shall become effective upon signature by the parties and remain effective until modified or terminated based on the parties' mutual consent.

Date: \_\_\_\_\_

**Business Incubation Project:**

**Mentor:**

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Position: \_\_\_\_\_

Address: \_\_\_\_\_

Tel No.: \_\_\_\_\_

Tel No.: \_\_\_\_\_

**State Institution “Formation and Development  
of Entrepreneurship in Tajikistan”:**

\_\_\_\_\_  
Name: \_\_\_\_\_

Position: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Tel No.: \_\_\_\_\_

## 6.10 Attachment-10: MOU on provision of mentorship (2)

### Memorandum of Understanding on Provision of Mentorship

(Mentoring for sharing practical knowledge and experience)

This Memorandum of Understanding (hereinafter referred to as “MOU”) is signed among Business Incubation Project (hereinafter called “BIP”), State Institution “Formation and Development of Entrepreneurship in Tajikistan” (hereinafter called “SIBI”) and \_\_\_\_\_ (full name) with the National ID No. \_\_\_\_\_ (hereinafter called “the Mentor”), which states their mutual agreement on the cooperation among the parties in provision of mentorship to SIBI’s customer entrepreneurs and MSEs.

#### (1) General provision

The purpose of this MOU is to determine the terms and conditions when BIP/SIBI uses the Mentor’s service described in “(2) The service to be provided.”

Signing this MOU does not oblige either BIP or SIBI to use the services of the Mentor. Following SIBI’s business incubators request, the Mentor will, based on his or her consent, be assigned to mentoring of SIBI’s customer entrepreneurs and MSEs (hereinafter called “the Mentee(s)”).

Once the Mentor is assigned, the parties must fulfill the terms and conditions set forth in the following sections.

#### (2) The service to be provided

The mentorship is a service through which the Mentor shares with the Mentee(s) practical knowledge and experience in managing their businesses. The following rules and method will be applied in provision of the service:

##### 2-1 Basic principle:

The mentoring will be conducted through in-person meetings by the means of communication decided between the Mentor and the Mentee. Both parties should make efforts in maintaining frequent communication. The in-person meeting will be conducted at least once a month. The mentorship will be provided to the Mentee for up to one year or until the Mentee’s goals set in the mentoring plan are attained.

##### 2-2 Records of mentoring meeting:

The Mentor and the Mentee should record the contents of mentoring meetings, including the topics discussed, tasks to be completed until the next meeting, and the overall evaluation of the achievements. The meeting record must be signed by both parties and submitted to SIBI.

##### 2-4 Confidential information:

Neither the Mentor nor the Mentee must disclose the information about the other party’s business obtained during the mentorship to a third party without the other party’s consent.

##### 2-5 Problem solving:

Any requests or complaints from the parties can be submitted to the SIBI’s staff in charge (the coordinator) at any time. Upon receiving the requests or complaints, the coordinator will conduct interviews with the relevant parties in order to resolve the issue. When necessary, SIBI/BIP will support the parties in resolving problems.

#### (3) Obligations of the parties

##### 3-1 SIBI’s obligations:

- Select the Mentee, determine the details of the support required for the Mentee and provide the Mentor with information required for him to mentor the Mentee;
- Coordinate among the Mentor, the Mentee, and BIP;
- Provide a venue for mentoring meetings when necessary; and
- Support the Mentor in performing his or her obligations indicated in “3-2 Mentor’s obligations” when necessary.

**3-2 Mentor’s obligations:**

- Support the Mentee in achieving the goals indicated in the “Mentoring plan” by providing required advice based on his or her own experience; and
- Keep records of the mentoring sessions and submit them to the SIBI’s coordinator.

**3-3 BIP’s obligations:**

- Provide SIBI and the Mentor with technical support;
- Bear the costs of sanitary items required for the mentoring meetings to be organized at the business incubator.

**(4) Payment**

The Mentor will provide the service voluntarily.

If field trips need to be conducted in relation to the service being provided to the mentee, BIP will pay the following allowances to the Mentor (such trips need prior approval by BIP):

- **40 TJS per day** as a per diem;
- **300 TJS per night** as an accommodation allowance; and
- **50 TJS per one way** as a transportation allowance for intercity travels.

**(5) Covered period**

This MOU shall become effective upon signature by the parties and remain effective until modified or terminated based on the parties’ mutual consent.

Date: \_\_\_\_\_

**Business Incubation Project:**

**Mentor:**

\_\_\_\_\_

\_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Address: \_\_\_\_\_

Tel No.: \_\_\_\_\_

Tel No.: \_\_\_\_\_

**State Institution “Formation and Development of Entrepreneurship in Tajikistan”:**

\_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Address: \_\_\_\_\_

Tel No.: \_\_\_\_\_

## 6.11 Attachment-11: Application for mentorship

(To be filled by the coordinator)

### Application for Mentorship

Business Incubator in charge: \_\_\_\_\_

#### 1. Applicant's personal information

- 1) Full name: \_\_\_\_\_
- 2) National ID No.: \_\_\_\_\_
- 3) Gender (circle):                      a. Male                      b. Female
- 4) Date of birth: \_\_\_\_\_
- 5) Education: \_\_\_\_\_
- 6) Address: \_\_\_\_\_  
\_\_\_\_\_
- 7) Contact info:                      Tel. No: \_\_\_\_\_  
   E-mail: \_\_\_\_\_

#### 2. Information about the applicant's business

##### a) General information:

- 1) Name of the business: \_\_\_\_\_
- 2) Registration No.: \_\_\_\_\_
- 3) Legal status: \_\_\_\_\_
- 4) Business area: \_\_\_\_\_
- 5) Established year: \_\_\_\_\_
- 6) Location: \_\_\_\_\_  
\_\_\_\_\_
- 7) Number of employees: \_\_\_\_\_

##### b) Description of main products/services:

No	Product and services	Description
1		
2		
3		
4		

**3. Goals to achieve through mentorship**

Goal-1: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Goal-2: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Goal-3: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Signature of the applicant: \_\_\_\_\_



**6.12 Attachment-12: Mentoring plan**

(To be filled by the coordinator)

**Mentoring Plan**

Business Incubator in charge: \_\_\_\_\_

Type of the mentorship (tick):

- Mentoring for transferring knowledge and skills required for specific business tasks
- Mentoring for sharing practical knowledge and experience

**1. Information of the mentor and mentee:**

		<b>Mentor</b>	<b>Mentee</b>
1	Full name		
2	Organization (business)		
3	Position		
4	Contact info		

**2. Mentee's goals and tasks:**

Goals	Tasks or details of the support
Goal1: _____ _____ _____	(1) _____ (2) _____ (3) _____
Goal2: _____ _____ _____	(1) _____ (2) _____ (3) _____
Goal3: _____ _____ _____	(1) _____ (2) _____ (3) _____

**3. Duration of mentorship**

From (date): \_\_\_\_\_ To (date): \_\_\_\_\_

**4. Methods and rules to be adopted in mentoring:**

a) Means of communication: \_\_\_\_\_

b) Mentoring meetings:

Frequency: \_\_\_\_\_

Venues\*: \_\_\_\_\_

c) Items to be respected:

Mentor's requests to the Mentee: \_\_\_\_\_

\_\_\_\_\_

Mentee's requests to the Mentor: \_\_\_\_\_

\_\_\_\_\_

**5. Confidential information:**

	Information related to the Mentor	Information related to the Mentee
1		
2		
3		
4		

**6. Supports by the business incubator:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Mentor: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

Mentee: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

Coordinator: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

(Note): \* - For mentoring meetings to be held at the business incubator, the mentor or the mentee should inform the coordinator about the schedules in advance. The coordinator will arrange rooms in the business incubator for the meetings.

**6.13 Attachment-13: Report on delivery of mentoring of MSEs**

(To be filled by the mentor)

**Report on Delivery of Mentorship**

(Mentoring for transferring knowledge and skills required for specific business tasks)

Business Incubator in charge: \_\_\_\_\_

Date: \_\_\_\_\_

**Mentor:**

Full name: \_\_\_\_\_

Organization: \_\_\_\_\_, Position: \_\_\_\_\_

**Mentee:**

Full name: \_\_\_\_\_

Organization: \_\_\_\_\_, Position: \_\_\_\_\_

**Contents of provided support:**

Duration of the service: From (date): \_\_\_\_\_ Till (date): \_\_\_\_\_

Number of session hold: \_\_\_\_\_ times; Total hours: \_\_\_\_\_ hours

Contents of the support: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Mentee's performance:**

General attitude: \_\_\_\_\_

\_\_\_\_\_

Skills developed:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Remarks: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**Comments:**

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Prepared by:

Mentor: \_\_\_\_\_ (signature) \_\_\_\_\_, \_\_\_\_\_ (name) \_\_\_\_\_

## **Annex 13 List of Registered Consultants and Mentors**

#	Name	Sex	Services
1	Afonina Lola	F	Consulting Services
2	Afsona Atobekova	F	Mentoring 1&2
3	Agrakov Yuriy	M	Consulting Services
4	Akilova Munira	F	Mentoring 1&2
5	Anna Viktorova	F	Consulting Services
6	Ashraf Ikromov	M	Consulting Services
7	Asrorov Naimjon	M	Consulting Services
8	Ayozova Gulbakhor	F	Mentoring 1&2
9	Babaeva Sevilya	F	Mentoring 1&2
10	Bakhromova Nasima	F	Mentoring 1&2
11	Davaltova Diana	F	Mentoring 1&2
12	Firuz Saidov	M	Consulting Services
13	Fathutdinov Fahriddin	M	Mentoring 1&2
14	Hursan Vladimir	M	Consulting Services
15	Ibodova Shabnam	F	Consulting Services
16	Iftihor Azimov	M	Consulting Services
17	Ishanov Mansur	M	Mentoring 1&2
18	Jalilova Gulmira	F	Mentoring 1&2
19	Jurabaev Sherali	M	Consulting Services
20	Kabir Rustam	M	Mentoring 1&2
21	Kalonov Shavkat	M	Mentoring 1&2
22	Khakimjanov Fazliddin	M	Mentoring 1&2
23	Khikmatov Umed	M	Mentoring 1&2
24	Khojamurodov Orash	M	Mentoring 1&2
25	Kholmatov Dilshod	M	Mentoring 1&2
26	Khuseynov Rakhmon	M	Mentoring 1&2
27	Minaeva Parvina	F	Mentoring 1&2
28	Mulloeva Zarrina	F	Consulting Services
29	Murodov Rakhmatullo	M	Consulting Services
30	Nabieva Firuza	F	Consulting Services

31	Nasirjanov Samijan	M	Mentoring 1&2
32	Nasirova Firuza	F	Consulting Services
33	Nigina Ikromi	F	Mentoring 1&2
34	Normatov Daler	M	Mentoring 1&2
35	Nurmatova Sanoat	M	Mentoring 1&2
36	Rakhimov Muratbek	M	Mentoring 1&2
37	Rakhmonov Matlub	M	Mentoring 1&2
38	Safarov Farzon	M	Mentoring 1&2
39	Salomova Takhmina	F	Consulting Services
40	Sattarova Elena	F	Mentoring 1&2
41	Saydrakhmonov Saydalli	M	Mentoring 1&2
42	Saydullaeva Zaytunna	F	Mentoring 1&2
43	Sayfullaeva Shakhnoza	F	Mentoring 1&2
44	Sharifov Aziz	M	Consulting Services
45	Sheraliev Bakhtiyor	M	Consulting Services
46	Sherbina Yulya	F	Mentoring 1&2
47	Shobudinova Rukhshona	F	Mentoring 1&2
48	Shodiev Farridun	M	Mentoring 1&2
49	Talat Numanov	M	Mentoring 1&2
50	Umarov Muminjon	M	Consulting Services
51	Vazirov Sobir	M	Mentoring 1&2
52	Yusufshoev Eraj	M	Mentoring 1&2
53	Zakhal Rakhmoni	F	Mentoring 1&2
54	Zamira Samadova	F	Consulting Services
55	Zardodhonova Ganjina	F	Consulting Services
56	Zarrina Babaeva	F	Mentoring 1&2
57	Zokirov Ulugbek	M	Mentoring 1&2

**Annex 14 Memorandum of Understanding on  
Cooperation with Financial Institutions (Arvand)**



**Memorandum of Understanding  
on Cooperation in  
Entrepreneurship Development  
and  
Improvement of MSE's Access to Finance**

**Dushanbe city**

**November 5, 2021**

This Memorandum of Understanding (hereinafter referred to as "MOU") is signed between the State Institution "Formation and Development of Entrepreneurship in Tajikistan" represented by Mr. Dilshod Jurazoda, Director (hereinafter referred to as "SIBI") and Closed Joint Stock Company Bank "Arvand" represented by Mrs. Shoirra Sodiqova, Chairperson (hereinafter referred to as "the financial institution") that states their mutual understanding on the terms and conditions for the cooperation between the parties in development of entrepreneurship and improvement of MSE's access to finance.

**1. Purpose**

The purpose of this MOU is to create a framework for a collaborative relationship between the Parties to encourage and promote entrepreneurship development and MSE's access to finance based on the Parties' mutual benefits, equality, and reciprocity.

**2. Basic principles**

2-1 The Parties will fulfill the commitments determined in "3. Commitments by the Parties below; however, this MOU shall be considered to be a good faith agreement to pursue the purpose described above, and is non-binding and not legally enforceable on either party hereto.

2-2 The conclusion of this MOU does not imply emergence of any financial and legal obligations on the Parties. It establishes only the general principles of cooperation between the Parties. Specific commitments will be established through signing of separate agreements.

2-3 In relation to the MOU, neither party shall act as an agent of the other without any written consent.

**3. Commitments by the Parties**

**3-1 The commitments by SIBI**

- Provide "Basics of Business" training, a consulting service on business planning, or mentoring services to the financial institution's customer entrepreneurs/MSEs;
- Recommend to the financial institution potential entrepreneurs/MSEs who need financing and meet the requirements set by the financial institution;
- Organize entrepreneurs' business plan presentation sessions in order for the financial institution to select potential customers;
- Invite the financial institution's staff to SIBI's seminars and events to be organized in the fields of the financial institution's interest; and

- Other commitments that may be agreed by the Parties.

3-2 The commitments by the financial institution:

- Introduce to SIBI entrepreneurs/MSEs who applied for financing and need the SIBI's support to meet the loan requirements of the financial institution;
- Facilitate financing of business plans presented by SIBI's customer entrepreneurs/MSEs who meet the requirements of the financial institutions;
- Upon SIBI's request, dispatch experts to the seminar, training, and business plan presentation sessions to be organized by SIBI; and
- Other commitments that may be agreed by the Parties.

4. Others

4-1 In addition to this MOU the Parties may sign a program of activities for the development of cooperation between the Parties. If signed, the program will become an integral part of the MOU.

4-2 If necessary, the Parties might discuss and define further directions or forms of mutually beneficial cooperation.

5. Covered period

This MOU is valid for one year from the date of signing by the Parties.

State Institution "Formation and  
Development of Entrepreneurship in  
Tajikistan"



*[Signature]*

Name: **Dilshod Jurazoda**  
Position: **Director**  
Address: \_\_\_\_\_  
Tel No.: \_\_\_\_\_

Closed Joint Stock Company  
Bank "Arvand"



*[Signature]*

Name: **Shoira Sodiqova**  
Position: **Chairperson**  
Address: **1 A.I. Somoni Avenue, Khujand**  
Tel No.: **+992 (44) 600-14-00**

## **Annex 15 Guideline on Legal Requirements and Registration Procedures for Business Start-ups**

**Annex 15.1 Guideline for Legal Requirements and  
Registration Procedures  
(Instructions for Filling out the Form)**



КУМИТАИ АНДОЗИ НАЗДИ ҲУКУМАТИ ҶУМҲУРИИ ТОҶИКИСТОН

АРИЗА

Шакли №

дар бораи бақайдгирии давлатии шахси воқеӣ ба сифати соҳибкори инфиродӣ

02

Ҷисмати мазкур аз тарафи мутахассисони мақоми бақайдгирӣ навишта мешавад

Мақоми бақайдгирианда

Рақами ариза  Санаи ариза  /  /

Тавсияҳо доир ба навиштан

Барои гирифтани кӯмак ба Дастурамали пур намудани Аризаи мазкур мувоҷиҳат намоед.  
Навиштани аризаҳо бо ҳарфҳои ҷойи иҷро намоед, байни каллимаҳо як катаҷаро ҳоли гузоре.  
Мавриди навиштан аз рӯ-қаҳои сибҳанг истифода баре.  
Ҳошияҳо, ки бояд зикр карда шаванд (Ҳа/Не), бояд бо аломати «X» пур карда шаванд.

Қисми I. Маълумот дар бораи аризадиҳанда

1. Аризадиҳанда:

Соҳибкори инфиродӣ  Дигар шахсе, ки дар асоси ваколатнома баромад мекунад

2. Маълумотҳои умумӣ дар бораи аризадиҳанда

Насаб (кириллӣ)

Ном (кириллӣ)

Номи падар (кириллӣ)

Насаб (лотинӣ, аз рӯи зарурат)

Ном (лотинӣ, аз рӯи зарурат)

Номи падар (лотинӣ, аз рӯи зарурат)

Намууди ҳуҷҷате, ки шахсиятро тасдиқ мекунад

Силсила ва рақами ҳуҷҷат  Санаи ҳуҷҷат  /  /

Мақома, ки ҳуҷҷати тасдиқкунандаи шахсиятро додааст

Рақами Мушаххаси Андозсупоранда  Шаҳравандӣ

2.1 Маблағи бочӣ давлатӣ  Санаи пардохти бочӣ давлатӣ  /  /  Рақами расиди бонк

(бо навиштаҷот)

A. The first shaded margin is filled by the desk clerk of the Registration Unit (just leave this job to the clerk).

B. The rest part should be filled in by the Applicant, and it looks as follows:

When filling the Application, the following general requirements must be observed:

- 1) filling of each line (cell) starts from the first left cell and continues in order;
- 2) Where it is provided two or more lines, transition to the next line is possible only if the first one is completed;
- 3) If the information in the Application relates to the Republic of Tajikistan, its regions and Dushanbe city, then words indicating the Republic of Tajikistan, its region and Dushanbe city are not reflected in the cells;
- 4) While filling in the cells, use only block letters;
- 5) One empty cell should be left between the words;
- 6) Words "town" can be replaced by "t", "street" by "s", and "jamoat" by "j";
- 7) All the responsibility for the completeness and correctness of information provided lays on the Applicant.

**Part I. Information about the Applicant**

Section 1. Applicant

- a) if the Application is submitted to the Registering Authority by an individual entrepreneur himself, then the first box (on the left side) is marked with "X" sign;
- b) if the Application is submitted to the Registering Authority by another authorized person, then sign "X" is put in the second box (on the right side).

Section 2. General information about the Applicant

In the first three lines of this section, the surname, name and patronymic of the Applicant are filled the way they are written in the identity document (passport). If entries in the Identity Document of the Applicant are not in Cyrillic, then the surname, name and patronymic are written in the cells of fourth, fifth and sixth lines in Latin letters.

In the lines "Type of Identity Document", "Series and number of document" and "Issue date of document", the title of Identity Document (for example, passport), the series and number of document, as well as the date of its issue are recorded. The next two lines should contain the name of authority that issued the Applicant's Identity Document.

In the "Taxpayer Identification Number" line, the Taxpayer Identification Number of the Applicant issued in the Republic of Tajikistan shall be entered.

The "Citizenship" line implies the name of country of which the Applicant is a citizen.

### 3. Сурогаи аризадиҳанда

Шаҳр

Ноҳия

Шаҳраи/ Кӯча/ Ҷамоат

Рақами бино  Рақами хона  Рақами хучра  Индекси шуъбаи алоқа

Ғайра

Телефони қорӣ  Факс

Телефони мобилӣ

Сурогаи электронӣ

### Қисми II. Маълумоти умумӣ дар бораи шахси воқеӣ - соҳибкори инфиродӣ

#### 1. Насаб, Ном, Номи падар

Насаб (кириллӣ)

Ном (кириллӣ)

Номи падар (кириллӣ)

Насаб (лотинӣ, аз рӯи зарурат)

Ном (лотинӣ, аз рӯи зарурат)

Номи падар (лотинӣ, аз рӯи зарурат)

Намууди хучҷате, ки шахсиятро тасдиқ мекунад  Санаи таваллуд

Силсила ва рақами хучҷат  Санаи хучҷат

Мақома, ки хучҷати тасдиқкунандаи шахсиятро додааст

Шаҳрвандӣ

#### 1.1 Ҷинси соҳибкор

Зан  Мард

#### 2. Рақами мушаххаси андозсупоранда

Оё шахси бақайдгиранда РМА дорад?

Не  Аризаро барои прифтири РМА нависед

Ҳа  РМА

#### 3. Маҳдудияти фаъолият

Барои фаъолияти соҳибкорӣ маҳдудият мавҷуд аст

Ҳа  Не

### Section 3. Applicant's address

This section contains address information, namely the place of residence, of the Applicant; it reflects the name of the city/town or district, village, street or jamoat, the number of building, house, apartment or room inside the house or apartment. In the line "Other", you can specify additional information indicating the Applicant's address, for example, the name of Applicant's country of residence.

Information on work and mobile phones, fax, e-mail is filled if the specified means of communication are available and the Applicant wishes to provide this information. Lack of information on means of communication cannot serve as a base for non-acceptance of the Application.

### Part II. General information about the individual

This part requires information about the individual who, in accordance with this Application, has expressed a desire to undergo state registration as an Individual Entrepreneur.

#### Section 1. Surname, name, patronymic

In the first three lines of this section, the surname, name and patronymic of the Applicant are filled as they are indicated in the Identity Document (passport). If the entries in the Identity Document of the Applicant are not in Cyrillic, then the surname, name and patronymic are written in cells of fourth, fifth and sixth lines in Latin letters.

#### Section 2. Taxpayer Identification Number

If an individual registering as an Individual Entrepreneur (both citizen of the Republic of Tajikistan and non-citizen of the Republic of Tajikistan) does not have a Taxpayer Identification Number (TIN), the sign "X" is put at "No" and the individual is provided with an application form to obtain a TIN.

If an individual registering as an Individual Entrepreneur has a TIN, then "X" is put at "Yes" and his/her TIN is recorded in the cells of "TIN" line.

#### Section 3. Restriction of activities

If the right of an individual to engage in Individual Entrepreneurial activity is legally restricted (by the relevant court decision), then sign "X" is put in the left side box at "Yes". This means that the person concerned cannot undergo state registration as an Individual Entrepreneur before the expiry of the above restriction and does not have the right to carry out entrepreneurial activities.

If the right of an individual to carry out entrepreneurial activity is not legally restricted (by the relevant court decision), then "X" is put in the right side box at "No".

#### 4. Сурогаи ҷойи зисти соҳибкори инфиродӣ

Шаҳр  
  
 Ноҳия  
  
 Шаҳрак/ Кӯча/ Ҷамоат  
  
 Рақами хона      Рақами квартира      Рақами хучра      Индекси шуъбаи алоқа  
                    
 Райра  
  
 Телефони қорӣ      Факс  
        
 Телефони мобилӣ  
  
 Сурогаи электронӣ

#### Қисми III. Шакли фаъолияти соҳибкори инфиродӣ

##### 1.1 Шакли фаъолият

Шаҳодатнома       Хоҷагии деҳқонӣ       Патент

##### Номи пураи Х/Д

##### 1.2 Масоҳати умумии қитъаи замини ҷудогардида

га

##### 1.3 Аз ҷумла, шакли замин:

Обӣ  га      Лалӣ  га

Чарогоҳ  га      Қорам  га

##### 1.4 Шумораи аъзоён:

##### 1.5 Ҳуҷҷати тасдиқунанда: сертификати ҳуқуқи истифодабарии замин ё нусхаи қарор дар бораи ҷудо намудани қитъаи замин барои бақайдгирии хоҷагии деҳқонӣ(фермерӣ) фардӣ ё оилавӣ

##### Номи ҳуҷҷат

##### Санаи ҳуҷҷат

/  /

##### Силсила ва рақами ҳуҷҷат

##### Мақома, ки ҳуҷҷатро додааст

##### 2. Намуди фаъолият

Агар шахси воқеӣ мақсади ба амал баровардани эндида аз як намууди фаъолиятро доро бошад, ба аризаи мазкур замина илова карда мешавад

##### 3. Сурогае, ки дар он баамалбарории фаъолияти соҳибкорӣ пешбинӣ карда мешавад

Шаҳр  
  
 Ноҳия  
  
 Шаҳрак/ Кӯча/ Ҷамоат  
  
 Рақами бино      Рақами хона      Рақами хучра      Индекси шуъбаи алоқа  
                 

#### Section 4. Address of the Individual

This section contains information about the address (place of residence) of the individual, which is being registered as an Individual Entrepreneur; it reflects the name of the city/town or district, village, street or jamoat, the number of building, house, apartment or room inside the house or apartment.

The line "Other" may contain additional information specifying the address of an individual who is being registered as an Individual Entrepreneur, for example, the name of individual's country of residence.

Information regarding work and mobile phones, fax, e-mail is filled if the specified means of communication are available and you agree to provide this information. Lack of information on means of communication does not serve as a base for non-acceptance of the application.

#### Part III. Form of activity of an individual

##### Section 1. Form of activity

Please mark "X" to the box of either "Patent", "Certificate" or "Dehkan Farm" as the type of the legal status under which you want to conduct your business"

*Only if you have chosen "Dehkan Farm", you have to fill in the following subsections:*

*Full name of your Dehkan Farm in the cells under "Full name of DF".*

*1.2 Total area of the land allocated – fill the cells in figures, indicating the total area of your land in hectares. The size of the land should be the same as the one indicated in the document to be presented in 1.5.*

*1.3 Including, type of land – fill the cells in front of each item (watered land, pasture, nonirrigable, cropland) in figures, indicating the area of each type of the land in hectares.*

*1.4 Number of members – indicate the number of members of Dehkan Farm in figures.*

*1.5 Confirming document – in the cells of the first line it is needed to indicate the title of the document confirming your rights on the respective land. It can be a Certificate of land utilization right or a copy of Resolution of land allocation.*

*In the cells under "date of document", issuance date of the above confirming document is indicated. Under the "Series and number of the document", you write the series and number of your Certificate or Resolution.*

*The last line in this subsection is "Authority that issued the Document"; here the name of the Authority, which has issued you the Confirming Document, needs to be indicated.*

##### Section 2. Type of activity

Within two lines of this section, you have to mention the main type of your entrepreneurial activity. If you are intending to conduct more than one type of activity, then Appendix No. 02 is attached to this Application where you can indicate additional types of entrepreneurial activity you want to engage in.

##### Section 3. Address where the business activity is supposed to be conducted

Basically, this section is provided for "Patent" entrepreneurs, since the Patent allows to conduct certain types of entrepreneurial activities only in the region where you have obtained your Patent. Patentee must indicate in the respective cells of this section the city or district, as well as, if possible, the village, street, jamoat, house number, apartment number, zip code etc., where entrepreneurial activity is supposed to be conducted. The cells under "Other" may contain additional information specifying the address of the entrepreneurial activity.

As for the "Certificate" entrepreneurs, they can use given cells for writing the name of one relevant region or simply write "Republic of Tajikistan".

Файра

Телефони корӣ

Факс

Телефони мобилӣ

Суроғи электронӣ

**Қисми IV. Маълумот дар бораи шахси воқеӣ, ки шаҳрванди Ҷумҳурии Тоҷикистон эътироф намешавад**

Ин қисмат танҳо дар ҳаҷми ҳаҷмат навишта мешавад, ки агар шахси воқеӣ шаҳрванди Ҷумҳурии Тоҷикистон шинохта нашавад.

**1. Намуди ҳуҷҷате, ки дар асоси он ба шахси воқеӣ хориҷӣ ҳуқуқи буди бош дар ҳудуди Ҷумҳурии Тоҷикистон дода шудааст**

Раводид

Мақоме, ки ҳуҷҷатро додааст

Силсила ва рақами ҳуҷҷат

Санаи ибтидои ва интиҳои амали ҳуҷҷат

Санаи ибтидо Санаи интиҳо

аз (рӯз) / (моҳ) / (сол) то (рӯз) / (моҳ) / (сол)

Варақни бақайдгирӣ

Мақоме, ки ҳуҷҷатро додааст

Силсила ва рақами ҳуҷҷат

Санаи ибтидои ва интиҳои амали ҳуҷҷат

Санаи ибтидо Санаи интиҳо

аз (рӯз) / (моҳ) / (сол) то (рӯз) / (моҳ) / (сол)

Гувоҳномаи иқомат

Мақоме, ки ҳуҷҷатро додааст

Силсила ва рақами ҳуҷҷат

Санаи ибтидои ва интиҳои амали ҳуҷҷат

Санаи ибтидо Санаи интиҳо

аз (рӯз) / (моҳ) / (сол) то (рӯз) / (моҳ) / (сол)

**2. Ҳуҷҷати тасдиқунандаи иҷозати кор ба шахси воқеӣ хориҷӣ дар ҳудуди Ҷумҳурии Тоҷикистон**

Мақоме, ки ҳуҷҷатро додааст

Силсила ва рақами ҳуҷҷат

Санаи ибтидои ва интиҳои амали ҳуҷҷат

Санаи ибтидо Санаи интиҳо

аз (рӯз) / (моҳ) / (сол) то (рӯз) / (моҳ) / (сол)

Ман, аризданиҳанда, бо имзои худам дурусти маълумот ва ҳуҷҷатҳои пешниҳодшударо расман тасдиқ менамоям. Ман медонам, ки барои дурустӣ ва ҳақиқӣ будани маълумоту ҳуҷҷатҳои пешниҳодшуда, тибқи қонунгузории Ҷумҳурии Тоҷикистон масъулият дорам.

**Имзои аризданиҳанда**

Санаи ариза (Насаб, Ном ва Номи падари аризданиҳанда)

Имзои аризданиҳанда

аз (рӯз) / (моҳ) / (сол)

**Имзои шахси масъуле, ки аризаро қабул кардааст**

Шахсияти аризданиҳанда муайян карда шуд

Имзои мутахассис

(Насаб, Ном ва Номи падари шахси масъул)

Ч.М.

**Part IV. Information about an individual, who is not a citizen of the Republic of Tajikistan**

(If you are a citizen of Tajikistan, skip this section.)

The cells of the first line of this Part shall indicate the type of document (visa, registration card or residence permit) issued by the relevant authority of the Republic of Tajikistan, which confirms the legality of stay of a foreign individual on the territory of the Republic of Tajikistan (by putting "X" in the corresponding box).

Next cells reflect the series and number of the above document.

Further, foreign individual indicates the date of commencement of the above document and its date of expiry in the respective cells.

Cells of the last lines indicate the type of document based on which the foreign individual is allowed to conduct entrepreneurial activities on the territory of the Republic of Tajikistan, as well as the date of issue and expiry of this document.

**Acknowledgement**

The Application is affirmed by mentioning the Applicant's surname, name and patronymic, as well as his/her signature at the name and signature block.

At the end of the Application, the date of its submission should be indicated, it must coincide with the date indicated at the beginning of the Application.

Acceptance of the Application by the Registering Authority is confirmed by the indication of the surname, name and patronymic of the responsible person (clerk) who accepted the application and his signature. The signature of the responsible person must be supported by a seal.

In the end, Applicant is issued a receipt with indication of the name, number and volume of pages of documents he/she has submitted to the Registering Authority. The receipt should be kept until he/she receives the actual legal document.

**The end**



**Annex 15.2 Guideline for Legal Requirements and  
Registration Procedures  
(Limited Liability Company)**



# GUIDE FOR STATE REGISTRATION OF LIMITED LIABILITY COMPANY

What are LLC, Foundation of LLC, State Registration of LLC and Constituent Documents of LLC.

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JICA / IMG Inc.

**Disclaimer**

Please be informed that this guide is not a regulatory document nor it has legal power.

**Foreword**

This guide will be useful for private persons who are intending to register their businesses as a Limited Liability Company (LLC). If you have come to a decision to open an LLC, then most probably you already know its advantages and disadvantages (please refer to the Reminder below) and that your business requires exactly this legal form. Here you will find brief information on State Registration Procedures for LLC.

You are strongly recommended to use services of relevant legal adviser in the preparation of founding documents in order to mitigate any future conflicts and risks. Moreover, legal advisors should know the requirement of other documents which include particularities, depending on the type of your business.

Taxation issues will not be part of this guide.

**Reminder**

As the main advantages of LLC the followings can be highlighted:

- Founders (members) are responsible for the obligations of LLC only within the size of the charter capital; they do not pay for the debts of the company using their private means;
- LLC can open branches and representative offices (conduct business activity in other regions, countries);
- Business as a whole or its shares can be sold;
- Entitled to engage in any business activity not prohibited by the laws of the Republic of Tajikistan (but if the Company conducts a business activity not indicated in its Charter, it might be sued by stakeholders if such an activity creates some damage to them. Also, there are risks of invalidation of contracts signed on the activity not mentioned in the Charter, as well as failure to participate in the biddings due to non-compliance).

And the main disadvantages are:

- Compiling the package of documents for state registration is time and labor consuming (Resolution, Foundation Agreement, Charter...);
- Mandatory keeping of minutes of all extraordinary and regular general assembly of founders;
- Complicated tax reporting and heavy inspections by the tax authority;
- Long and complicated process of liquidation of LLC.

**What is Limited Liability Company (hereinafter LLC or Company)?**

LLC is a business entity established by one or multiple person(s), the share capital of which is divided into shares in the amounts determined by the constituent documents (to be presented later). The members of LLC are not entirely liable for LLC's obligations; in other words, they bear the risk of losses related to LLC's activities only within the limits of their contribution's value.

LLC owns the property which is separated from its members' and recorded on its independent balance sheet. LLC has civil rights, bears legal responsibilities related to its activities, and is able to, on its own behalf, acquire, run and dispose of its physical and non-physical property while assuming the responsibilities for all property belonging to it. The Company is not responsible for the actions of its members that are not conducted under its name. The company is able to become a plaintiff or defendant in court.

Certain types of activities can be carried out by the Company under the license only, which are set forth in the legislation of the Republic of Tajikistan.

The number of members of LLC cannot be more than 30. If the number of members exceeds 30, the Company has to be transformed to a Joint Stock Company or Production Cooperative within one calendar year.

The company shall have a full official name in the state language while it is also entitled to have an abbreviated company name. The official company name shall contain the full name of the Company and the words "limited liability". The abbreviated name of the Company shall contain not only the full or abbreviated name of the company but also the words "limited liability" or the abbreviation "LLC".

### **Foundation of LLC**

Prior to the State Registration LLC shall be founded.

The founders of the Company sign a Foundation Agreement and approve the Charter of the Company. The Foundation Agreement and the Charter of the Company act as constituent documents of the Company (described below). If one person founds the LLC, then the constituent document of the Company will be only the Charter approved by this person. In the event of an increase in the number of members of the Company to two or more, they shall sign a Foundation Agreement.

As the supporting documents for the Charter of the Company, the Resolution of the founder(s) on incorporation (and the Protocol of the Meeting of founders if two or more persons are founding the LLC) shall be prepared.

The founders of the Company elect (appoint) the members and the head of the executive body of the Company and, in the event that non-monetary contributions are made to the Share Capital of the Company, approve their monetary value. Founders' unanimous decision is required for the approval of the Charter of the Company and that of the monetary value of the contributions made by the founders.

### **State Registration of LLC**

After the foundation of LLC you can proceed to the State Registration of your Company.

State Registration of LLC is carried out by the local State Registration Unit (under the Tax Committee) of the place where the LLC has its address. The State Registration Unit is obligated to issue you the Confirmation Document on State Registration (the Certificate<sup>1</sup>) within five working days after you have submitted the package of necessary documents for LLC registration. These documents include:

- Correctly filled Form #1<sup>2</sup> on Application for the State Registration of a Legal Entity;
- The Resolution of the founder(s)<sup>3</sup> of the LLC on incorporation (and the Protocol of the Meeting of founders<sup>4</sup> if founded by two or more persons). The Resolution on incorporation shall be signed by the founder(s) of the Company;
- A copy of the identity document (passport) of the head of the executive body of the LLC if the documents are submitted by him/her; if the documents are submitted by an authorized person

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<sup>1</sup> The Certificate will serve as a basis for the opening of a bank account and making company stamps.

<sup>2</sup> The Application Form #1 can be obtained at the State Registration Unit or downloaded by clicking the following link [https://www.andoz.tj/docs/shaakli-arizaho/form\\_%E2%84%961.pdf](https://www.andoz.tj/docs/shaakli-arizaho/form_%E2%84%961.pdf)

<sup>3</sup> Sample documents can be obtained at the State Registration Unit

<sup>4</sup> Same as above

other than the head of the executive body, a copy of the identity document (passport) of the authorized person as well as the Power of Attorney shall be submitted;

- A copy of the identity document (passport) of each founder of the Company;
- Taxpayer Identification Number (TIN) of each founder of the Company and the head of the executive body of the Company; and
- A copy of the document confirming the location (address) of the Company.

### **Constituent documents of LLC**

The Company's Foundation Agreement and the Charter are the two major constituent documents in the registration of LLC.

#### The Foundation Agreement shall contain the following information:

- Founding members (shareholders);
- Size of the Share Capital of the Company and share size of each founding member (shareholder) of the Company;
- Size and composition of contributions from founding members (shareholders);
- Procedure and terms of contributions into the Share Capital of the Company at the time of its foundation;
- Responsibilities of the founding members (shareholders) of the Company in case of violation of the obligation to make contributions;
- Conditions and procedure for the distribution of profits between the founding members (shareholders) of the Company;
- Composition of the executive body of the Company; and
- Procedure for the withdrawal of founding members (shareholders) from the Company, etc.

#### The Charter of the Company covers the following items:

- Full and abbreviated tradename of the Company;
- Information on the location of the Company;
- Information on the composition and competence of the executive body of the Company, including the issues that are under the sole responsibility of the general assembly of the Company, the procedure for decision-making by the executive body of the Company, including the decisions which are made unanimously or by qualified majority;
- Information on the size of the Share Capital of the Company;
- Information on the size and par value of the share of each shareholder of the Company;
- Rights and obligations of the members of the executive body and shareholders of the Company;
- Procedure and consequences of the withdrawal of shareholders and other members of the executive body from the Company;
- Procedure for the transfer of a share (part of a share) in the Share Capital of the Company to another person;
- Procedure for keeping the Company's documents and the procedure for providing the information to the Company members and third parties;
- information on the branches of the Company and its representative offices.

Now you have the basic information on Foundation and State Registration of Limited Liability Company in Tajikistan. If your decision to legalize your business as LLC is well-argued, please go ahead.

May good success attend you!

## **Annex 15.3 Guideline for Legal Requirements and Registration Procedures (Small Business)**

## From authors

Hello, dear friend! If you are reading this, it means you are interested in starting your own business, and this handbook will acquaint you with the core knowledge you need when registering yourself as an Individual Entrepreneur in Tajikistan. We believe that after reading this handbook you will have a clear picture of what steps to take in order to become an owner of a legal business.

## Individual Entrepreneurship [Patent versus Certificate]

Once you have your business idea, you need to choose the legal form appropriate for your business; it can be Individual Entrepreneurship or Legal Entity. Assuming that you do not have much experience or knowledge in business, we are going to talk only about the former one in this booklet, of which the procedures for registration are less complicated than the latter. If you already have business experiences and are rather interested in the registration procedures for Legal Entity, please await its publication as a different handbook (coming soon).

Now in case of Individual Entrepreneurship, you can run your business on the rights of either a Patent or a Certificate.



What is the difference between Patent and Certificate?



**Income limitation.** The first and main difference between Patent and Certificate is your permissible gross annual turnover. If you are acting under a Patent, your annual gross turnover cannot exceed TJS 100 000, while acting under a Certificate limits your annual gross turnover by TJS 1 000 000.

**Labor.** In case of Patent you are the only worker in your business; you cannot hire employees, whereas Certificate allows you to employ workers.

**Type of activity.** Working under a Patent, you can conduct only certain types of business activity on the List of Patentable Businesses<sup>1</sup> determined by the authorized body (currently there are 49 types of business on the list), and you are not allowed to engage in import and export.

Working under a Certificate, you are entitled to conduct any types of business activity, with the exception of:

- Production of excisable products (except for non-alcoholic beverages) and the implementation of excisable activities;
- Banking activities, or the implementation of certain types of banking operations, insurance activities, investment fund management activities, professional activities in the securities market;
- Subsoil use activities;
- Acceptance, processing and (or) supply of precious metals and precious stones, other metals, concentrates, scrap metal and ore;
- Sales of fuels and lubricants, liquefied and natural gas, organization of markets, hotels and sports complexes; and
- Organization of workshops for metal processing.

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<sup>1</sup> The list can be obtained by clicking the following link: <https://andoz.tj/docs/instruksii/1.priilojenie.pdf>

**Important note:** Regardless of the legal form of your business, there are Licensable Types of Activity, for doing which you are obliged to clear all licensing procedures. The full list of Licensable Types of Activity is given in Article 17 and Article 18 of the Law of the Republic of Tajikistan on Licensing of Certain Activities.<sup>2</sup>

**Reporting.** If you are a Patentee, you do not need to submit any reports to the Tax Authority except the Reconciliation Report once a year. Reconciliation Report is prepared to ensure all budget settlements and avoid any fines and penalties.

If you are a Certificate holder, then you must submit several types of reports to the Tax Authority on monthly, quarterly and annual basis, let us name them one by one:

- Declaration on income under the Simplified Taxation Scheme – this Declaration shall be submitted to the Tax Authority on quarterly basis (each three months);
- Declaration on Social Tax – shall be submitted on monthly basis;
- Reconciliation Report – shall be drawn up once a year.

**Note:** Each employed person in Tajikistan is subject to the Social Tax. If you are an Individual Entrepreneur acting on the basis of a Certificate and you employed a person, then you have to pay Social Tax for your employee (25% of his/her monthly wage). If you do not have any employees, then you pay Social Tax for yourself at a rate of the highest patent fee applicable to your region<sup>3</sup>.

**Taxation.** If you conduct your business activities under a Patent, you are obliged to pay a fixed patent fee for each type of activity set forth on the List of Patentable Businesses by way of prepayment.

**Example:** *If you are engaged in public transport with your minibus, your patent fee is TJS 156 per month, meaning that you must pay your February patent fee (TJS 156) by the end of January.*

If you conduct your business under a Certificate, you are subject to the Simplified Taxation Scheme, in which you are free to choose one of the following two options:

**Option 1.** *You pay 6 percent of your monthly gross income.*

**Option 2.** *You pay 16 percent of your monthly net profit.*

Under the Simplified Taxation Scheme, you must declare your income once in 3 months by filling the Declaration on income under the Simplified Taxation Scheme and submit it to the tax authority. You shall pay the respective sum no later than 10th day of the month coming after your reporting period.

**Example:** *Your tax for the period from January to March should be paid before April 10.*



A few tips, which may help you save some funds:

- a. If your status is Patent and you have enough funds to pay for 10 months of your patent fee at once, you will have 1 month free of charge.

<sup>2</sup> The law can be downloaded by clicking the following link: <http://minfin.tj/downloads/zrtolovd.pdf>

<sup>3</sup> Patent fee differs from region to region. You can find the regional indexes in “Zonal coefficients, regulating the Patent Fee” on page 9 of the Resolution #451 ([https://andoz.tj/docs/postanovleniya-pravitelstvo/Resolution\\_%E2%84%96451\\_ru\\_new.pdf](https://andoz.tj/docs/postanovleniya-pravitelstvo/Resolution_%E2%84%96451_ru_new.pdf))



b. If your status is Certificate, you can decrease your taxes by (1) working through bank transfer only and (2) being engaged in **production** of goods. Each of these conditions decreases your tax by 1 percent point regardless of the tax option you have chosen.

Example 1: If you provide printing services under Option 1 (6 percent), in which most of your expenses are for human resources, and you clear all your settlements through bank transfer, you will pay 5 percent instead of initial 6.

Example 2: You **produce** natural apple juice under Option 2 (16 percent), in which expenses for raw materials are significant, your business falls under **production**. That means 16 percent automatically decreases to 15. In addition to this, if all your settlements are through bank transfer only, you can further reduce your tax rate to 14 percent of your net profit.



### Head-scratcher

Let us further explore the taxation options. At first glance, it looks very simple, but when it comes to a decision, please be attentive. Depending on the type of your business, you should pick an option that will be more advantageous for you.

Example 1: Mr. X owns a Translation Bureau that brings him a monthly gross income of TJS 40 000. After paying all expenses including rent, utility cost, salaries he has a TJS 25 000 net profit. Which of two options is advantageous for Mr. X? Let us calculate:



If Mr. X chooses Option 1, he has to pay 6 percent of his gross income (TJS 40 000), which is TJS 2 400.

If Mr. X chooses Option 2, he has to pay 16 percent of his net profit (TJS 25 000), which is TJS 4 000.

Option 1 is obviously more advantageous for Mr. X.

Example 2: Mr. Y is a retailer, owning a grocery. The monthly gross income from that grocery is TJS 80 000, but after his settlements with suppliers, rent payment, utility cost etc. he has a net profit of TJS 15 000. Now let us calculate and figure out the best option for Mr. Y.



If Mr. Y chooses Option 1, he has to pay 6 percent of TJS 80 000, which is TJS 4 800.

If Mr. Y chooses Option 2, he has to pay 16 percent of TJS 15 000, which is TJS 2 400.

Of course, Mr. Y prefers Option 2.

**Note:** Once you choose either one of the two taxation options, you can switch to the other only on the basis of calendar year. To do so you have to apply for the Tax Authority with a request of changing your taxation option and from January of the next year, your decided option will come into force.

Dear reader, now you know the principal differences between Patent and Certificate, but you may ask yourself what happens if you start your business without state registration. Let us clue you in on the measures taken by the Government to prevent such cases.



According to article 617 of Administrative offences Code of the Republic of Tajikistan- Activities without registration in tax authorities:

Individuals who engaged in business activities without registration in tax authorities or without a license where such license is mandatory, or with violation of licensing terms, as well as the practice of the forbidden types of business activities are subject to a fine ranging from TJS 290 to 580 (from January 1, 2020).

**Need to know:** If you registered a Certificate-based Individual Entrepreneurship, within three months after obtaining your Certificate you must acquire a cash-register machine.

## Registration

At this stage, you might already lean towards either Patent or Certificate depending on the type of business you have in your mind. Now it is time to take specific steps to register yourself as an Individual Entrepreneur.

### STEP I – Prepare the package of necessary documents.

Prior to registering yourself as an Individual Entrepreneur, you need to make the following documents ready:



- A copy of your passport (if your TIN is not indicated in your passport, you need to bring it as a separate document);
- Your photographs (2 pcs, size 4x6 cm);
- Your certificate of residence; and
- A receipt of advance payment of your patent fee, which you can obtain from the cash registers of the State Savings Bank “Amonatbank” by prepaying the amount of your patent fee (only if you are applying for Patent).

### STEP II – Visit your regional State Registration Unit<sup>4</sup> to apply for registration.

At the State Registration Unit, you need to obtain the Application Form #2. Ask the desk clerk to provide you with Form #2, fill it in and submit it to the clerk along with the package of documents you have collected in Step I.

### STEP III – Obtain your Document at the State Registration Unit

After you have submitted all necessary documents including your correctly filled Application Form, the State Registration Unit will issue you Patent/Certificate within five business days. On your Patent/Certificate is indicated a Unified Identification Number consisting of nine digits assigned to you, which you will need in opening a bank account for your business.

If, for any reason, you are not able to go to the State Registration Unit personally, your entrusted person with power of attorney can go and apply on your behalf.

Once your Patent/Certificate is ready, you or your entrusted person can collect it at the State Registration Unit you have applied. Usually the clerk, which has accepted your application, calls

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<sup>4</sup> If you do not know the location of your State Registration Unit under the Tax Committee you can call to the Tax Committee hotline by dialing short number 151, the operator will coordinate you.

to inform that your Patent/Certificate is ready indicating the time, when you can come to for your document. When collecting your Patent/Certificate you or your entrusted will need passport.

**Remark:** Both Patent and Certificate are termless; they are valid as long as you pay your taxes. You cannot be the owner of a valid Patent and a valid Certificate simultaneously, nor have multiple valid Patents or Certificates. For this reason, if you apply for a Certificate, you are strongly recommended to mention as many as possible types of activity you are intending to engage in when filling-in the Application form. Choosing many types of activity does not impose any extra liabilities on you.



### **Tax-free business activities**

Street sale of wild medicinal herbs, sour milk, compote, tea, sunflower seeds, magazines, newspapers, calendars and books, sale of second hand goods, cattle grazing, shoes cleaning and repair on the streets, street phone services, aged and child care, nursing care, trolley hauling at markets and streets, street car wash (except specially allocated places) and grave digging are not subject to taxation and do not require a Patent.

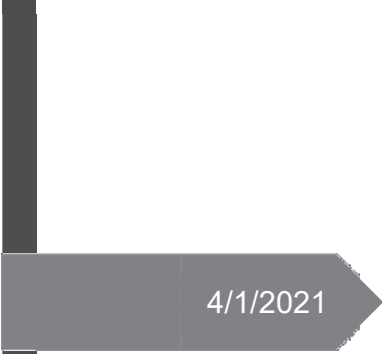
Also, there are 106 types of not taxable **in-home** business activities on production of consumer goods, which you can find in the “The list of activities for the production of consumer goods at home, which are exempt from all types of taxes” given in page 10 of the Resolution of the Government of Republic of Tajikistan #451<sup>5</sup>.

**The end.**

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<sup>5</sup> The Resolution can be downloaded by clicking the following link: [https://andoz.tj/docs/postanovleniya-pravitelstvo/Resolution\\_%E2%84%96451\\_ru\\_new.pdf](https://andoz.tj/docs/postanovleniya-pravitelstvo/Resolution_%E2%84%96451_ru_new.pdf)


## **Annex 15.4 Guideline for Legal Requirements and Registration Procedures (Dehkan Farm)**



4/1/2021

# Registration procedures and Legal Requirements for Dehkan Farm

Unified Tax Regime, Taxation and Reporting,  
Procedures of land allocation for Dehkan  
Farm, registration at Tax Authority ...



State Institution "Formation and  
Development of Entrepreneurship in  
Tajikistan"  
SCISPM / JICA / IMG Inc.

# Legal Requirements and Registration procedures for Dehkan Farm

## Foreword

Dear reader, if you are interested in agribusiness but do not know how to begin, then this handbook will be helpful to you. This manual was prepared to guide you to a right direction in a jungle of information not necessarily relevant to your future business operation.

Agriculture, same as any other income-generating activities (except tax-free activities), is subject to taxation in Tajikistan, but production of agricultural products has special privileges such as Unified Taxation Regime. In order to benefit from the Unified Taxation Regime you need to register your business as a Dehkan Farm (DF) in the form of Individual Entrepreneurship.

## What is Dehkan Farm?

Dehkan Farm is a business that covers production, storage, processing and sales of agricultural products. DF can take form of either Legal Entity or Individual Entrepreneurship. As our focus is small and medium businesses, in this handbook we are going to talk about the latter only, but before we dive into the details, let us name the main differences between these two.

Key differences between Legal Entity DF and Individual Entrepreneur DF are:

- The number of members/shareholders - in the case of Legal Entity DF, the number of shareholders is unlimited, while Individual Entrepreneur DF consists of up to 50 members;
- Individual Entrepreneur DF is subject to Unified Tax Regime (see below) as long as it is not engaged in further processing of agriproducts. Legal Entity DF is subject to the Standard Taxation Scheme (VAT payer); and
- In the case of Individual Entrepreneur DF, each member has to have his/her own land share, while shareholders of a Legal Entity DF own a share of the Entity itself.

Dehkan Farm can be owned either by Individual or collectively (comradely, co-ownership of 2 to 50 members); the latter functions based on Cooperative Business Contract (CBC, to be explained later). Both individual and comradely DFs can hire permanent or seasonal workers.

## What is Unified Tax Regime?

It is a special taxation regime for the businesses producing agricultural products **without** further processing. Under the Unified Tax Regime DF pays a fixed tax rate per unit of land area regardless of its operation profit. Unified Tax rates<sup>1</sup> differ from region to region; moreover, the Government of the Republic of Tajikistan conducts revision of those rates once per annum.

If Dehkan Farm decides, at the same time, to engage in processing of agriproducts or other nonagricultural activities, it additionally becomes subject to the Simplified Taxation Scheme<sup>2</sup> (if annual turnover from processing of agriproducts and/or other types of business activity does not exceed one million TJS; otherwise DF will have to take form of Legal Entity and will be

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<sup>1</sup> All updates on Unified Tax rates can be downloaded by clicking the following link or scanning the QR-code: <https://andoz.tj/BaAndozsuporanda/Tavzehot?culture=tg-TG>

<sup>2</sup> To learn about Simplified Taxation Scheme, please refer to [Legal Requirements for IE - Taxation](#)

subject to the Standard Taxation Scheme). In such a case, DF must keep books separately for the production of agriproducts and for nonagricultural activity (processing and/or other types of business activity).

## Taxation and Reporting for IE DF

**Note:** Tax Committee strongly recommends all private and legal entities to declare and pay their taxes electronically through their account in Tax Committee online platform. An online account is created automatically once you have successfully registered yourself as an IE, LE or LE. All types and forms of declarations/reports will be available on your online account at Tax Committee web site.



Being a Dehkan Farmer requires some reporting to the Tax Authority. Your taxes are calculated based on the amounts you show in your tax reports (declarations). The reports are quite simple and thus do not require any financial background upon preparation. Let us name the tax types and their respective declarations:

- Unified Tax → Unified Tax Declaration – shall be submitted to the Tax Authority on annual basis (once a year, no later than March 1<sup>st</sup>);

**For employees of DF:** Unified declaration on Income and Social Tax – shall be submitted to the Tax Authority on monthly basis;

- Social Tax

**For members of DF:** Shall be declared online by the head of DF through filling the form of Social Tax for DF members from the online account of the DF at Tax Committee official web site – once in six months.

- Reconciliation Report – shall be drawn up and inspected by the Tax Authority once a year (in order to ensure all your budget settlements and avoid fines and penalties). The format is available at the office of the Tax Authority.

**Note:** Every employed person in Tajikistan is subject to the Social Tax. If you are a Dehkan Farmer having employed a person, then you have to pay Social Tax for your employee (25% of his/her monthly wage).  
For the members and head of DF, the amount of Social Tax is TJS 10 per month.

Depending on the available assets and type of activity, in which DF is engaged, additional taxes can be imposed. These taxes are:

- Tax on sales of Cotton Fiber and Primary Aluminum – Only if DF is engaged in sales of Cotton Fiber or Primary Aluminum;
- Tax on vehicle – If the DF has vehicles on its balance, those vehicles will be subject to taxation. The tax is calculated based on engine power of the vehicle (number of horse powers);
- Tax on Estate Property – If the DF has Estate Property (production and/or auxiliary buildings, other buildings) which is being utilized by DF, it becomes subject to Estate Property Tax. The Estate Property Tax includes:
  - Land Tax – applicable only to the land which is currently being utilized for other purposes than agriculture; and
  - Tax on Facilities of Estate Property – applicable to buildings and facilities.

## How can you register a Dehkan Farm?

First, you need to decide whether you want to register an Individual DF or Comradely.

If you are intending to register an Individual DF, you must have a documentary evidence on the agricultural land parcel that is legally allocated to you. This document is supported by a Land Use Right Certificate issued by the local branch of State Unitary Enterprise (SUE) “Registry of Estate Property” and by the district chairperson’s Resolution.

In the case of Comradely DF (2 to 50 members), you need to have the same documentary evidence, but your Land Use Right Certificate will contain, as an annex, the list of all DF members with their names, TINs and the land sizes of respective members.

Three actors will be involved in the land allocation process, namely: Local Executive Authority, local office of the Land Committee and local office of the SUE “Registration of Estate Property”.

### How to apply for Land Use Right Certificate?

#### STEP I

Only if Comradely: Prepare and have CBC (to be explained in the end) signed by all members. Without CBC, you cannot proceed to Step II.

#### STEP II

If Comradely: The head of DF, elected through the members’ meeting, submits an application (along with the CBC and list of members) to the local executive authority (local government) for a land plot for establishment of a DF.

If Individual: The person submits an application to the local executive authority for land allocation on his own behalf.

**Note:** The sample of application is available at each office of the executive authority. Once you have submitted your application to the local executive authority, it will be reviewed and (if approved) forwarded to the local office of the Land Committee where you will be placed into the waiting list for land allocation.

#### STEP III

In order to obtain a Land Use Right Certificate, each member of the DF needs to have a Land Use License issued by the local office of the Land Committee.

When your turn comes in accordance with the waiting list, the Land Committee will define a land plot and launch a case ( by preparing the land map, drawing and other necessary documentation) for your DF. Then your case will be sent the local executive authority, which will issue you the Resolution of the chairperson of the district/city on land allocation.

After the chairperson of the district/city signs the Resolution, the Land Committee will issue a Land Use License to each member of the DF.

#### STEP IV

To receive the Land Use Right Certificate, the head of DF needs to register the Land Use Right of his DF at the local branch of SUE “Registry of the Estate Property”. For doing this, the following documents should be presented to the SUE “Registry of the Estate Property”:

- Resolution of the chairperson of the district/city on land allocation;



- Passport copies of all DF members including their TINs;
- Bank receipt of your State Fee payment (see below);
- Copy of the Land Use License of each member.

After you have prepared and submitted the above documents to the person in charge at the local branch of SUE “Registry of the Estate Property”, you need to wait for the issuance of your Land Use Right Certificate.

**Note:** Usually land allocation process is not fast, since the land resources are limited and the number of applicants is huge. Once you have applied for land, you need to keep in touch with the person in charge who has accepted your application, in order to follow-up its status.

The Land Committee will calculate the amount of the State Fee (depending on the size and type of the land to be allocated), which should be paid through any branch of the State Savings Bank “Amonatbank”.

## Registration at Tax Authority

Once you have received the Land Use Right Certificate of your Dehkan Farm, it is time to register at the Tax Authority in order to have a legal right for doing the business. For this, you need to take the following steps:

### STEP I – Prepare the package of necessary documents.

- A copy of the passport of the head of DF (if TIN is not indicated in the passport, you need to have it as a separate document);
- Photographs of the head of DF (2 pcs, size 4x6 cm);
- Certificate of residence of the head of DF;
- A copy of the Land Use Right Certificate of your DF and a copy of Resolution on land allocation; and
- A list of members of DF (if any) with their TINs.

### STEP II – Visit your regional State Registration Unit<sup>3</sup> to apply for registration.

At the State Registration Unit, you need to obtain the Application Form #2. Ask the desk clerk to provide you with Form #2, fill it in and submit it to the clerk along with the package of documents you have collected in Step I.

### STEP III – Obtain your Document at the State Registration Unit

After you have submitted all necessary documents including your correctly filled Application Form, the State Registration Unit will issue you the Certificate of Dehkan Farm within three business days.

<sup>3</sup> If you do not know the location of your State Registration Unit under the Tax Committee you can call the Tax Committee hotline by dialing short number 151, the operator will guide you.

If, for any reason, you (as the head of DF) are not able to go to the State Registration Unit personally, your entrusted person with power of attorney can go and apply on your behalf.

Once your DF Certificate is ready, you or your entrusted person can collect it at the State Registration Unit you have applied. Usually the clerk, which has accepted your application, calls to inform that your Document is ready indicating the time range when you can come for your document. When collecting your DF Certificate, you or your entrusted person will need passport.

### **Cooperative Business Contract (CBC)**

In the case of Comradely Dehkan Farm, a CBC needs to be prepared. Without signing this Contract, membership in DF cannot be acknowledged. Please be very attentive to the contract terms; it includes the following information:

- Number and surname, name and patronymic of each member;
- Rights and obligations on the head of DF agreed in the members' meeting;
- Rights and obligations of DF members;
- Procedure for withdrawal from membership;
- Procedure for accepting new members to DF;
- Properties contributed by DF members (with indication of confirming property documents) and sizes of their respective land on the land plot;
- Procedure for convening a meeting of members of DF;
- Procedure for dispute escalation;
- Pricing, sales and income distribution policy;
- Contract termination procedure.

The sample of CBC is available at the office of your local State Executive Authority.

**End**

**Annex 16 Memorandum of Understanding on  
Cooperation with Donor Agencies (PEAK)**

**Memorandum of Understanding  
on Cooperation for Entrepreneurship Development**

**Dushanbe city**

**Date: Nov 29, 2021**

This Memorandum of Understanding (hereinafter referred to as "MOU") is signed between the Business Incubation Project (hereinafter referred to as "BIP"), represented by Ms. Naomi Abe, Deputy Team Leader (hereinafter referred to as "BIP") and PEAK Enterprise and Innovation Programme in Tajikistan (hereinafter referred to as "PEAK"), represented by Ms. Sabohat Dustova, hereinafter jointly referred to as the "Parties" and individually as a "Party". The MOU states their mutual understanding on the terms and conditions for the cooperation between the Parties for the development of entrepreneurship.

The **Business Incubation Project (BIP)** supports entrepreneurs and micro and small enterprises (MSEs) in preparing their business plans and to strengthen through the steps of business planning their skills required to manage their businesses. BIP covers the following geographic areas: Vahdat, Rasht, Kulyab, Hamadoni. Vose, Khuroson, Asht, Kanibadam and Dushanbe.

The **PEAK Enterprise and Innovation Programme ("PEAK")** in Kyrgyzstan and Tajikistan is funded by UK aid from the Government of the United Kingdom and implemented by DAI in Kyrgyzstan and Tajikistan, with the aim to stimulate entrepreneurship and business innovation in the two countries through the provision of direct business development and advisory services to local startups and micro, small, and medium-sized enterprises (MSMEs).

**1. Purpose**

The purpose of this MOU is to create a framework for a collaborative relationship between the Parties to encourage and promote entrepreneurship development in Tajikistan based on the Parties' mutual benefits, equality, and reciprocity.

**2. Basic principles**

2-1 The Parties will fulfill the commitments determined in article 3. Commitments by the Parties below; however, this MOU shall be considered as a good faith agreement to pursue the purpose described above and is non-binding and not legally enforceable on either party hereto.

2-2 The conclusion of this MOU does not imply emergence of any financial or legal obligations on the Parties. It establishes only the general principles of cooperation between the Parties. Specific commitments, whenever applicable, will be established through the signing of separate agreements.

2-3 In relation to the MOU, neither Party shall act as an agent of the other without any written consent.

**3. Commitments by the Parties**

**3-1 PEAK shall, within its authority and competence:**

3.1.1. Introduce BIPs' Business Incubation Services, as stated in article 322, to entrepreneurs, startups and MSMEs associated with PEAK

3.1.2 Select the beneficiary(ies) and identify the required support.

3.1.3 Provide a venue for consultation or mentoring meetings where necessary.

**3-2 BIP shall, within its authority and competence**

**3.2.1 Provide Business Incubation Services to startups, entrepreneurs and MSEs associated with PEAK:**

**1. Consulting services on business planning**

**Service:** Entrepreneurs/MSEs will be supported by consultants assigned by BIP to prepare their business plan on their own.

**Beneficiaries:** Have a feasible business idea or be already running a business; Have basic knowledge of business; and Be willing to spend adequate time on preparation of a business plan.

**Duration:** Up to three months.

**2. Mentoring for transferring knowledge and skills**

**Service:** Provide advice and support the mentee in accomplishing the business tasks that need to be tackled.

**Beneficiary:** Be already running a business; Have basic knowledge of business; and Have a (preliminary) business plan prepared.

**Duration:** Up to one year.

**3. Mentoring for sharing practical knowledge and experience**

**Service:** Share mentor's (a businessperson) extensive business experience and practical knowledge with the mentee.

**Beneficiary:** Be already running a business or prepared to start a business; and Have a (preliminary) business plan prepared.

**Duration:** Up to one year.

**3.2.2 Recommend to the financial institution potential entrepreneurs/MSEs who need financing and meet the requirements set by the financial institutions.**

**3.2.3 Organize entrepreneurs' business plan presentation sessions for financial institutions to select potential clients.**

**4. Non-Disclosure:**

The terms of this LOI are confidential and not subject to disclosure. The parties shall take all necessary measures so that their employees and successors, without prior consent of the other party, do not inform third parties about the details of this LOI, except for PEAK's reporting obligation to its funder, UKaid and BIP's reporting obligations to its donor. At the same time, the measures taken should be no less significant than those that the party takes to preserve its own information of this kind.

**5. General Provisions**

**5-1 Amendments:** Either party may request changes to this MOU. Any changes, modifications, revisions or amendments to this LOI which are mutually agreed upon by and between the parties to this MOU shall be incorporated by written instrument and become effective when executed and signed by all parties to this MOU.

**5-2 Entirety of Agreement:** This MOU, consisting of two pages, represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations and agreements, whether written or oral.

**6. Others**

**6-1** In addition to this MOU, the Parties may sign a program of activities for the development of cooperation between the Parties. If signed, the program will become an integral part of the MOU.

6-2 The Parties may discuss and define further directions or forms of mutually beneficial cooperation whenever the necessity arises.

**7. Term**

7-1 This MOU is valid for one (1) year from the date of signing by the Parties.

**Business Incubation Project**

阿部 直美

Name: **Naomi Abe**

Position: **Deputy Team Leader**

Address: \_\_\_\_\_

Tel No.: +992 93555 9040

**Branch of DAI Europe Ltd in Tajikistan**

Сабодат

Name: **Sabohat Dustova**

Position: **Programme Operations Manager**

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## **Annex 17 Standard Operating Procedures (SOP)**

## **Annex 17.1 Accounting Policy of SIBI**



Approved.

\_\_\_\_\_, Director  
State Institution “Formation and  
Development of Entrepreneurship  
in Tajikistan”

## **Accounting Policy of State Institution “Formation and Development of Entrepreneurship in Tajikistan”**

### **(1) Background**

According to the Law of the Republic of Tajikistan on Accounting and Financial Reporting (LAFR), an organization considered as an Enterprise of Public Interests<sup>1</sup> must maintain its accounting records and prepare its financial statements following the International Financial Reporting Standard (IFRS). According to the law, Enterprises of Public Interests is an organization having significant importance to the society, and the criteria for their significance to the public are determined by the Government of Tajikistan (GoT).

On the other hand, the GoT set private sector development as one of the essential development pillars in its National Development Strategy 2016-2030; it established State Institution “Formation and Development of Entrepreneurship in Tajikistan” (SIBI) to support development of micro, small and medium enterprises (MSMEs) by providing training, business incubation services and information of various areas related to business operations to entrepreneurs and MSMEs through the organization.

Based on the above, SIBI is an Enterprise of Public Interests; and therefore, its accounting function must be planned and organized in accordance with the IFRS, as well as the LAFR and other relevant regulations set by the GoT.

This document determines the accounting system of SIBI, and the basic methods and principles to be followed in performing its accounting tasks, in line with the LAFR and the IFRS. The details are the following.

### **(2) Accounting Principles**

#### **Accounting method:**

SIBI adopts the accrual accounting. In the SIBI’s accounting, revenues will be recognized when invoices are issued for the services delivered to its customer entrepreneurs and MSMEs. In contrast, expenses are recognized when invoices are received from suppliers and service providers.

#### **Bookkeeping method:**

Accounting transactions will be recorded in the SIBI’s accounting books using the double-entry bookkeeping.

#### **Inventory costing method:**

The value of inventory materials used out will be estimated based on the First-in, First-out (FIFO) method. In the SIBI’s accounting, the prices of available materials and consumables purchased earlier will be applied to the materials and consumables being removed from the inventory accounts.

### **(3) Financial Statements and Reports**

SIBI will prepare four types of financial statements: (1) Balance sheet, (2) Income statement, (3) Cash

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<sup>1</sup> Russian term=>“Субъекты публичного интереса”

flow statement, and (4) Statement of changes in equity.

In addition to the above statements, SIBI also prepares the mandatory reports to be submitted to the Ministry of Finance, tax office, and social security agency as well as the Statistics Agency.

#### (4) Accounting System

##### Bookkeeping tool:

SIBI should conduct bookkeeping using an accounting software widely used in the Republic of Tajikistan. A uniform software should be introduced in all the divisions/units of SIBI so that the accounting data of the divisions/units can easily be consolidated.

The divisions/units must back up the data inputted into the software monthly, and print out the contents of the accounting books at the end of an accounting period and submit them together with their soft copies to the headquarters.

##### Chart of accounts:

The SIBI's chart of accounts will consist of main accounts and sub-accounts to be created within the following groups and categories:

Financial Statement	Group	Category
Balance sheet	Assets	Cash assets
		Receivables
		Allowance for doubtful accounts
		Stationery
		Office consumables
		Office tools
		Cleaning and sanitary materials
		Gasoline and lubricants
		Parts and components
		Other operating consumables
		Prepaid expenses and other current assets
		Properties and facilities
		Vehicles
		Facility equipment
		Office equipment
		Office appliance
		Furniture
		Investments and non-current receivables
	Other non-current assets	
	Accumulated depreciation and amortization	
Liabilities	Payables	
	Accrued expenses	
	Accrued taxes	
	Long-term debt	
	Other non-current liabilities	
Owners' equity	Owners' equity	
Income statement	Revenue	Operating revenues
		Non-operating revenues
	Expenses	Operating expenses
		Non-operating expenses

The main accounts will be managed with account numbers that consist of five-digit numerals while the sub-accounts with seven-digit numerals.

The main accounts are shown in “Attachment1: Chart of Accounts”. The chief accountant is authorized to create sub-accounts within the main accounts. Any modifications of the main accounts will be proposed by the chief accountant and become valid with the approval by the director of SIBI.

**Accounting books:**

General journal and general ledger are the compulsory accounting books for the SIBI’s accounting. The former is a chronological record of accounting transactions. In contrast, the latter is a book of accounts, with each of its accounts being a separate record of the transactions related to a certain category of the object (asset, liability, revenue, expense, etc.). A transaction affects two or more accounts. The general journal entry records the whole transaction in one place; then the relevant piece of the transaction is posted to the general ledger, in each of the accounts affected by the transaction.

The general journal and general ledger will be created and managed with the accounting software indicated in the section “Bookkeeping tool.” The chief accountant can create and use other auxiliary journals when necessary.

**Source documents:**

According to the LAFR, SIBI should standardize the formats of source documents to be used in its accounting. All the SIBI’s divisions/units must use the built-in forms of the accounting software indicated in the section “Bookkeeping tool” when preparing accounting source documents. If the built-in form for a mandatory source document<sup>2</sup> is not available in the software, the document should be prepared using the sample formats presented in “Attachment2: Guideline for Processing and Filing Source Documents”.

The source documents received from other organizations will be accepted in the formats they issued as long as the information required for the document is indicated.

The SIBI’s accounting staff must accept, process, and file accounting source documents following the instructions set forth in the SIBI’s guideline presented in “Attachment2: Guideline for Processing and Filing Source Documents”.

**(5) Standard operating procedures**

Accounting tasks in SIBI must be performed following the standard operating procedures (SOPs) presented in “Attachment3: SOPs of Accounting Tasks”.

The SOPs cover the procedures for implementing the most common tasks that include the following:

- Accounting of revenues
- Receiving payments
- Accounting of credit purchases
- Making payments
- Salary payment
- Material accounting

Positions of the actors are indicated as “Director,” “Chief Accountant,” “Accountant,” and “Cashier” in the SOPs. The actual actors in the headquarters and the division/units are shown in the table below:

No	Position names in the SOPs	Actors in SIBI	
		in the HQs	in the Divisions/Units
1	“Director”	Director of SIBI	Head of Divisions/Units
2	“Chief accountant”	Chief accountant of SIBI	Head of Divisions/Units
3	“Accountant”	Head of the Administration Unit	Specialist for finance and administrative tasks

<sup>2</sup> Any of the 14 source documents presented in “Attachment2: Guideline for Processing and Filing Source Documents”

4	"Cashier"	Senior specialist of the Administration Unit	Specialist for finance and administrative tasks
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SOPs will be prepared by the chief accountant and become valid with the approval by the director of SIBI. The accounting staff in all the divisions/units must follow the SOPs after the approval.

**(6) Attachments**

The documents attached to this document are the following:

- Attachment1: Chart of Accounts
- Attachment2: Guideline for Processing and Filing Source Documents
- Attachment3: SOPs of Accounting Tasks

The attachment documents become valid with the approval of this document, the accounting policy of SIBI.

## **Annex 17.2 SOPs of Accounting Tasks**

No	Position names in the SOPs	Actors in SIBI	
		in the HQs	in the Divisions/Units
1	"Director"	Director of SIBI	Head of Divisions/Units
2	"Chief accountant"	Chief accountant of SIBI	Head of Divisions/Units
3	"Accountant"	Head of the Administration Unit	Specialist for finance and administrative tasks
4	"Cashier"	Senior specialist of the Administration Unit	Specialist for finance and administrative tasks

## SOPs for Accounting of Revenues

### A) Procedures for Recording Sales

No	Steps	Person in charge	Reference documents
1	Collect the documents related to the services provided	Accountant	(1) Contract (2) Reports on the provided service (3) Other documents related to previous payments
2	Check the payment conditions and payment history, and verify the details of the service provided, the amount of payment to be invoiced and the due date of the payment.	Accountant	Same as above
3	Prepare invoice and submit the invoice to the chief accountant	Accountant	
4	Verify the details, sign the invoice and submit the invoice to the director for approval	Chief accountant	
5	Verify, sign/stamp, and return the invoice to the accountant	Director	
6	Copy the invoice and transfer the original invoice to the Marketing and Business Plan Development Unit	Accountant	
7	Send the original invoice to the customer	Specialist of Marketing and Business Plan Development Unit	
8	Post the transaction (Revenue and Receivable) into the accounting software	Accountant	
9	Register and file the copy of the invoice	Accountant	Guideline for Processing and Filing Source Documents

### B) Procedures for Collecting Revenues

No	Steps	Person in charge	Reference documents
1	Check the payment status of the receivables and invoices issued by SIBI and identify overdue invoices	Accountant	(1) Accounts Receivables in the general ledger (2) Invoices issued
2	Inform the Marketing and Business Plan Development Unit about the overdue invoices	Accountant	
3	Contact the customer who has not paid the amount invoiced	Senior specialist of Marketing and Business Plan Development Unit	
4	Receive the payment following the instructions of the <u>SOPs for Receiving Payments</u>	Person indicated in the SOP for Receiving Payments	SOP for Receiving Payments

## SOPs for Receiving Payments

### A) Procedures for Receiving Payments in Cheque

No	Steps	Person in charge	Reference documents
1	Receive a cheque and verify the information on the cheque	Accountant	Copy of the invoice sent to the customer
2	Prepare the payment receipt	Accountant	
3	Copy the payment receipt and send the original to the payer	Accountant	
4	Post the transaction (Receivable and Cash in transit) into the accounting software	Accountant	
5	Register and file the copy of the payment receipt	Accountant	Guideline for Processing and Filing Source Documents
6	Transfer the cheque to the chief accountant	Accountant	
7	Verify the information on the cheque and the transaction posted into the accounting software	Chief accountant	
8	Copy the cheque, and register and file the copy	Chief accountant	Guideline for Processing and Filing Source Documents
9	Cash the cheque(s) at the bank and receive the statement of cashing issued by the bank	Chief accountant	
10	Verify and register the statement of cashing and transfer the statement to the accountant (if cashing fails or the cheque is rejected, proceed to Step-13)	Chief accountant	
11	Post the transaction (Cash in transit and Current account [Bank account]) into the accounting software, and return the statement of cashing to the chief accountant	Accountant	
12	Verify the information on the transaction posted into the accounting software and file the statement of cashing	Chief accountant	Guideline for Processing and Filing Source Documents
13	(If cheques are rejected) inform the client about the rejection and reflect the rejected cheques in the relevant accounts	Accountant	

### B) Procedures for Receiving Payments in Cash

No	Steps	Person in charge	Reference documents
1	Prepare, register and transfer the payment receipt to the cashier	Accountant	
2	Copy the payment receipt and prepare the petty cash receipt	Cashier	
3	Make the payment in cash, obtain the signature of the payer on the petty cash receipt, and hand over the original payment receipt to the payer	Cashier	
4	Fill the transaction on the cashbook, and register and file the petty cash receipt	Cashier	(1) Petty cash receipt (2) Guideline for Processing and Filing Source Documents
5	Return the copy of the payment receipt to the accountant	Cashier	
6	Post the transaction (Receivable and Petty cash) into the accounting software and file the copy of the payment receipt	Accountant	(1) Copy of the payment receipt (2) Guideline for Processing and Filing Source Documents



### C) Procedures for Receiving Payments through Bank Transfer

No	Steps	Person in charge	Reference documents
1	Obtain a copy of the bank transfer slip from the customer and verify the accurateness of the information	Accountant	Copy of the invoice sent to the customer
2	Prepare and copy the payment receipt, and transfer the original to the customer	Accountant	
3	Post the transaction (Receivable and Current account [Bank account]) into the accounting software, and register and file the copy of the payment receipt	Accountant	
4	Transfer the copy of the bank transfer slip to the chief accountant	Accountant	
5	Obtain the bank statement from the bank and verify the amount transferred into the account	Chief accountant	(1) Copy of the Invoice sent to the customer (2) Copy of the bank transfer slip (received from the customer) (3) Bank statement
6	Register and file the copy of the bank transfer slip (received from the customer) and the bank statement.	Chief accountant	Guideline for Processing and Filing Source Documents

## SOPs for Accounting of Credit Purchases

### A) Procedures for recording credit purchases

No	Steps	Person in charge	Reference documents
1	Receive invoice from the supplier or the service provider	Accountant	
2	Collect the placed order and the <i>Record of Receipt and Inspection of Purchased Goods</i> (RRIPG) related to the purchase.	Accountant	
3	Verify the payment details on the invoice and compare them with the information on the documents related to the purchase	Accountant	(1) Placed order (2) RRIPG
4	Verify the status of the payment from the accounting records	Accountant	Previous transactions in the relevant accounts of payables
5	Post the transaction (Payable and Asset/Expense) into the accounting software, and register and file the invoice	Accountant	Guideline for Processing and Filing Source Documents

### B) Procedures for paying for credit purchases

No	Steps	Person in charge	Reference documents
1	Check the payables as well as the invoices received from suppliers/service providers and their due dates	Accountant	(1) Balances of accounts of payables (2) Invoices received
2	Prepare a payment order and submit it with the relevant invoice to the Chief accountant	Accountant	Invoice received
3	Verify the contents, select the method of payment on the payment order, and sign and submit it to the Director	Chief accountant	
4	Verify the details and approve the payment by signing the payment order	Director	
5	Make payments following the instructions of the <u>SOP for Making Payments</u>	Person indicated in the SOP for Making Payments	

## SOPs for Making Payments

### A) Procedures for Making Payments in Cheque

No	Steps	Person in charge	Reference documents
1	Prepare a payment order and submit it with a copy of the relevant invoice to the Chief accountant	Accountant	Invoice received
2	Verify the contents, indicate "Cheque" for the method of payment and sign the payment order	Chief accountant	Invoice received
3	Write and sign a cheque, and submit the cheque with the prepared payment order to the Director	Chief accountant	(1) Invoice received (2) Payment order
4	Verify the details and approve the payment by signing the payment order and the cheque	Director	Invoice received
5	Transfer the signed cheque and the payment order to the accountant	Director	
6	Double check the payment details on the invoice, payment order and the cheque	Accountant	
7	Copy the cheque, hand over the original cheque to the supplier/service provider and receive the payment receipt issued by the supplier/service provider	Accountant	
8	Post the transaction (Payable and Cash in transit) into the accounting software, register and file the payment receipt, and transfer the payment order and the copy of the cheque to the chief accountant	Accountant	Guideline for Processing and Filing Source Documents
9	Register and file the payment order and the copy of the cheque	Chief accountant	Guideline for Processing and Filing Source Documents

### B) Procedures for Making Payments in Cash

No	Steps	Person in charge	Reference documents
1	Prepare a payment order and submit it with the relevant invoice to the Chief accountant	Accountant	Invoice received
2	Verify the contents, indicate "Cash" for the method of payment and sign the payment order, and submit it with the invoice to the Director	Chief accountant	Invoice received
3	Verify the details, approve the payment by signing the payment order, and return the payment order and the invoice to the chief accountant	Director	Invoice received
4	Prepare and sign a cash voucher, and transfer it with the payment order and the invoice to the cashier	Chief accountant	(1) Invoice received (2) Payment order
5	Double check the payment details on the invoice, payment order and cash voucher	Cashier	
6	Make payments to the supplier/service provider in exchange for the payment receipt prepared by the supplier/service provider	Cashier	
7	Obtain signature of the supplier/service provider on the cash voucher	Cashier	
8	Fill the transaction on the cashbook, and register and file the payment order and cash voucher	Cashier	(1) Cash voucher (2) Guideline for Processing and Filing Source Documents
9	Transfer the payment receipt issued by the supplier/service provider <sup>[1]</sup> and the invoice to the accountant	Cashier	
10	Post the transaction (Payable and Petty cash) into the accounting software, and register and file the payment receipt	Accountant	Guideline for Processing and Filing Source Documents

[1] If the recipient cannot provide a payment receipt, a copy of the cash voucher should be transferred to the accountant.

### C) Procedures for Making Payments through Bank Transfer

No	Steps	Person in charge	Reference documents
1	Prepare a payment order and submit it with the relevant invoice to the Chief accountant	Accountant	Invoice received
2	Verify the contents, indicate "Bank Transfer" for the method of payment and sign the payment order	Chief accountant	Invoice received
3	Fill the transfer slip form (issued by the bank), and submit it with the invoice and the prepared payment order to the Director	Chief accountant	(1) Invoice received (2) Payment order
4	Verify the details and approve the payment by signing the payment order and the bank transfer slip	Director	Invoice received
5	Return the set of the documents the chief accountant	Director	
6	Submit the transfer slip at the bank and make the bank transfer	Chief accountant	
7	Obtain the transfer slip processed by the bank, and copy the slip	Chief accountant	
8	Register and file the payment order and the original transfer slip, and transfer the copy of the transfer slip to accountant	Chief accountant	Guideline for Processing and Filing Source Documents
9	Hand over the copy of the transfer slip to the supplier/service provider and obtain the payment receipt	Accountant	
10	Verify the payment receipt, post the transaction (Payable and Current account [Bank account]) into the accounting software, and register and file the payment receipt	Accountant	Guideline for Processing and Filing Source Documents

## SOPs for Salary Payment

### A) Procedures for Paying Salary Advances

No	Steps	Person in charge	Reference documents
1	Fill the format of record of salary advance and prepare the payment order for the advance payments	Accountant	Decisions by the management on the payable salary amounts to the employees
2	Submit the filled record of salary advance and prepared payment order to the chief accountant	Accountant	
3	Verify the contents of the documents, and sign and submit them to the director	Chief accountant	
4	Verify the estimated salary advance, sign the payment order, and transfer the documents to the cashier	Director	
5	Prepare cash vouchers, pay the salary advance to the employees and get their signatures on the cash vouchers	Cashier	
6	Record the transaction on the cashbook, and register and file the payment order and cash vouchers	Cashier	(1) Cash vouchers (2) Guideline for Processing and Filing Source Documents
7	Fill the paid dates on the record of salary advance and transfer it to the accountant	Cashier	Cash vouchers
8	Post the transaction (Petty cash and Prepaid expense [Salary]) into the accounting software, and register and file the record of salary advance	Accountant	(1) Record of salary advance with dates of the payment (2) Guideline for Processing and Filing Source Documents

### B) Procedures for Paying Salaries

No	Steps	Person in charge	Reference documents
1	Collect time cards of the employees and record of salary advance paid to the employees	Accountant	
2	Prepare the salary slips for all the employees (estimate the payable salary, personal income taxes and social security contributions), the salary statement and the payment order, and transfer them to the chief accountant	Accountant	(1) Salary matrix (2) Time cards (3) Record of the salary advance (4) Laws on labor, tax and social security
3	Sign the salary statement and each salary slip after verifying their contents	Chief accountant	
4	Submit the payment order and the salary statement to the director	Chief accountant	
5	Verify and sign the payment order and salary statement, and return them to the chief accountant	Director	
6	Transfer the salary slips, payment order and salary statement to the cashier	Chief accountant	
7	Copy salary slips, pay salaries to the employees, hand over the original salary slips to the employees, and get their signatures on the copy of the salary slips	Cashier	

8	Record the transactions on the cash book, and register and file the payment order and the copies of the salary slips	Cashier	Guideline for Prosessing and Filing Source Documents
9	Record the paid dates on the salary statement and transfer it to the accountant	Cashier	
10	Post the transaction (Prepaid expense [Salary], Payable [taxes and social security contributions], Petty cash, Salary expense, and Social security expense) into the accounting software, and register and file the salary statement	Accountant	(1) Salary statement with dates of the payment (2) Guideline for Prosessing and Filing Source Documents
11	Prepare reports and declarations of payable personal income taxes and social security contributions in accordance with the relevant laws and regulations as well as the payment order for the payable taxes and social security contributions, and submit them to the chief accountant	Accountant	Salary statement
12	Verify the reports and declarations, and the payment order, and determine the payment method	Chief accountant	
13	Pay the taxes and social security contributions based on the selected payment method (follow the SOPs for Making Payment)	Person indicated in the SOP for Making Payments	

## SOPs for Material Accounting

### A) Procedures for Accounting of Added Assets

No	Steps	Person in charge	Reference documents
1	Collect the Record of Receipt and Inspection of Purchased Goods (RRIPG) after completion of every procurement	Accountant	
2	Identify the category, type and account for each accepted items on the RRIPG from the Chart of Accounts	Accountant	The chart of accounts
3	Create an inventory record for each item	Accountant	
4	Fill the date, unit price, received quantity and the serial No of RRIPG on the inventory record of each item	Accountant	
5	Post the transaction (Payable and Asset) into the accounting software	Accountant	Inventory record filled
6	Register and file the RRIPG	Accountant	Guideline for Processing and Filing Source Documents
7	(at the end of each month) Transfer the ending balance of each inventory record to the Consolidated Inventory Record	Accountant	

### B) Procedures for Accounting of Used Consumables

No	Steps	Person in charge	Reference documents
1	Fill the format of request for consumable materials and submit to the accountant	Employees	
2	Submit the filled request for consumable materials to the chief accountant	Accountant	
3	Verify the contents of the request of consumable materials, sign the request and submit it to the director	Chief accountant	
4	Verify the contents of the request of consumable materials and sign the request, and transfer the signed request to the accountant	Director	
5	Transfer the requested materials, fill the information of the transferred materials on the request of the consumable materials, and obtain the signature of the recipient	Accountant	
6	Fill the information of the transferred materials on the respective inventory records	Accountant	
7	Post the transaction (Asset and Expense [material]) into the accounting software, and register and file the request of consumable materials	Accountant	(1) Inventory records updated (2) Guideline for Processing and Filing Source Documents
8	(at the end of each month) Transfer the ending balance of each inventory record to the Consolidated Inventory Record	Accountant	

## **Annex 17.3 Flowcharts for Accounting SOPs**

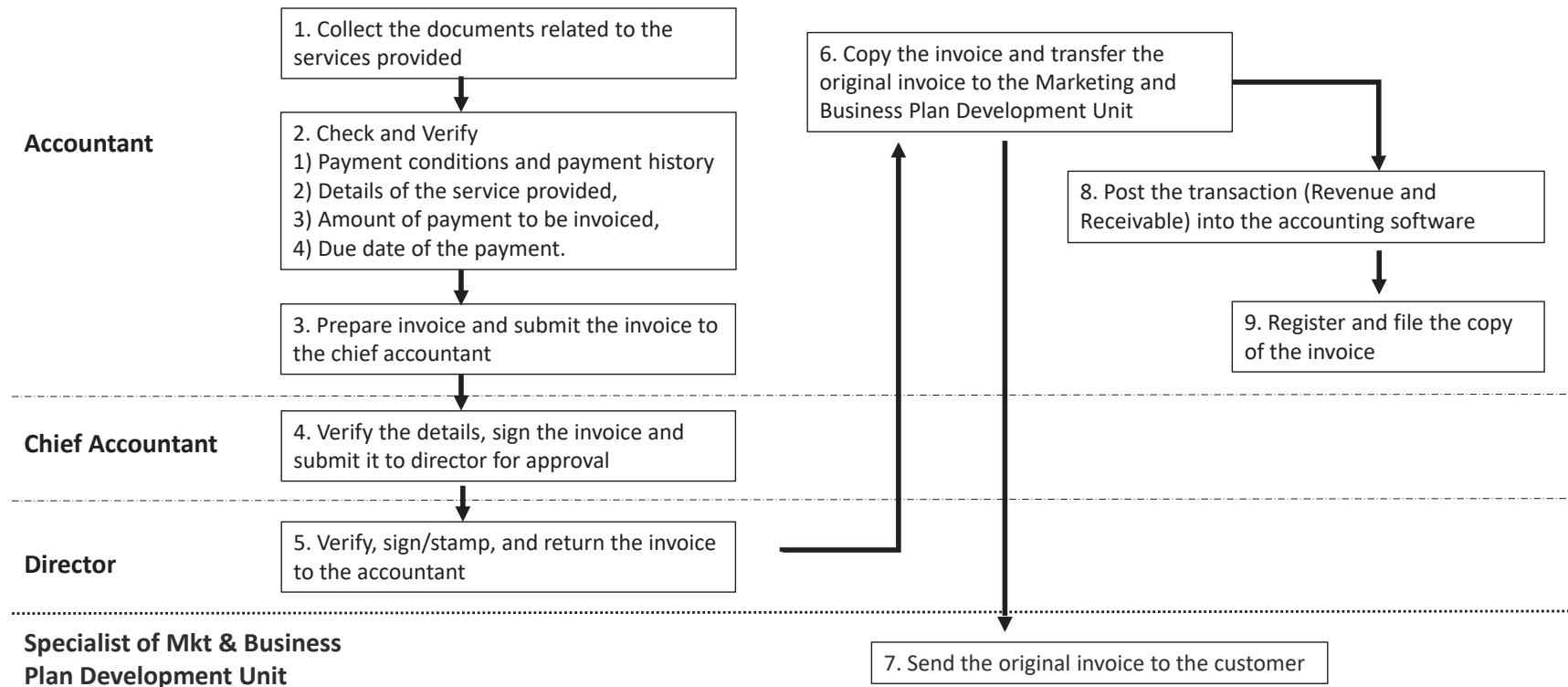


## Actors

No	Position names in the SOPs	Actors in SIBI	
		in the HQs	in the Divisions/Units
1	"Director"	Director of SIBI	Head of Divisions/Units
2	"Chief accountant"	Chief accountant of SIBI	Head of Divisions/Units
3	"Accountant"	Head of the Administration Unit	Specialist for finance and administrative tasks
4	"Cashier"	Senior specialist of the Administration Unit	Specialist for finance and administrative tasks

# SOPs for Accounting of Revenues

## A) Procedures for Recording Sales



## SOP for Accounting of Revenues

### B) Procedures for Collecting Revenues

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**Accountant**

1. Check the payment status of the receivables and invoices issued by SIBI and identify overdue invoices



2. Inform the Marketing and Business Plan Development Unit about the overdue invoices



**Senior specialist of Marketing and Business Plan Development Unit**

3. Contact the customer who has not paid the amount invoiced

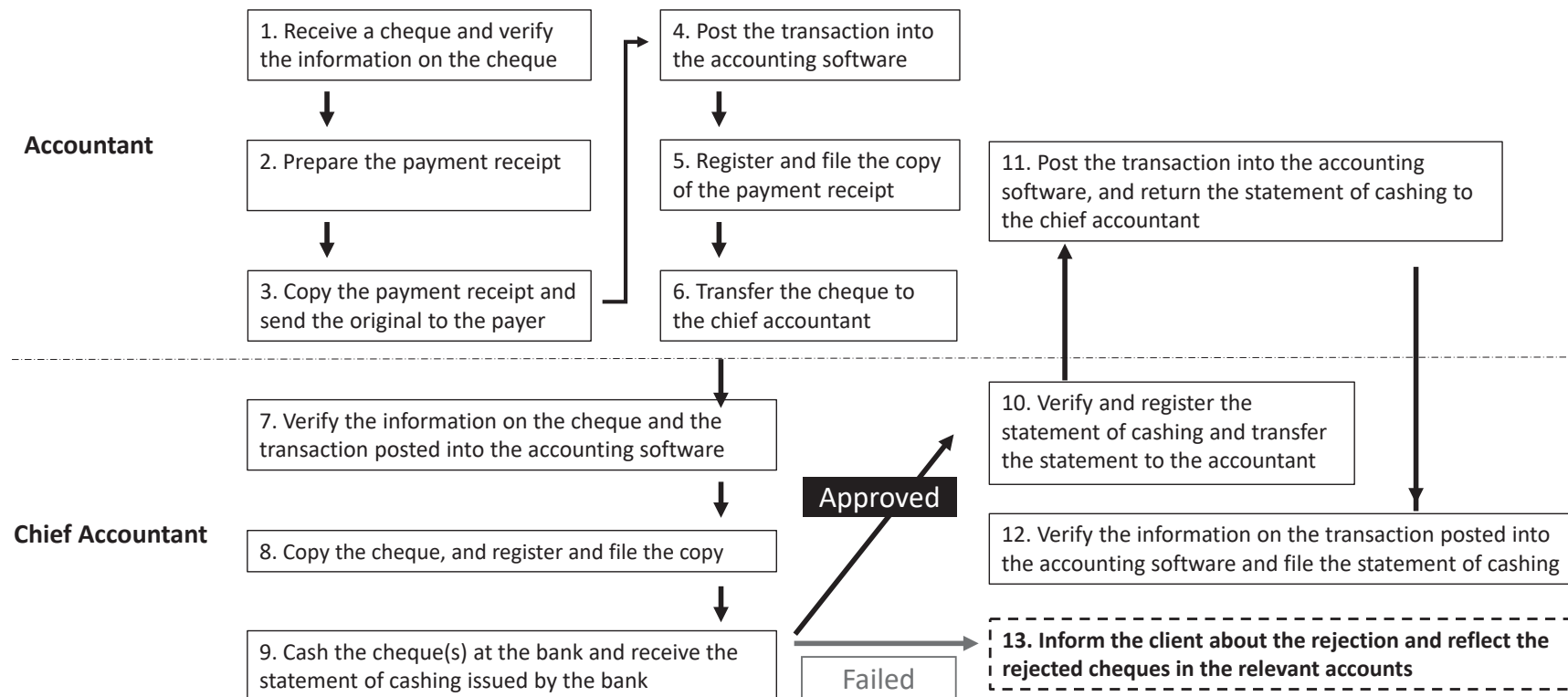


**Person indicated in the SOP for Receiving Payments**

4. Receive the payment following the instructions of the **SOPs for Receiving Payments**

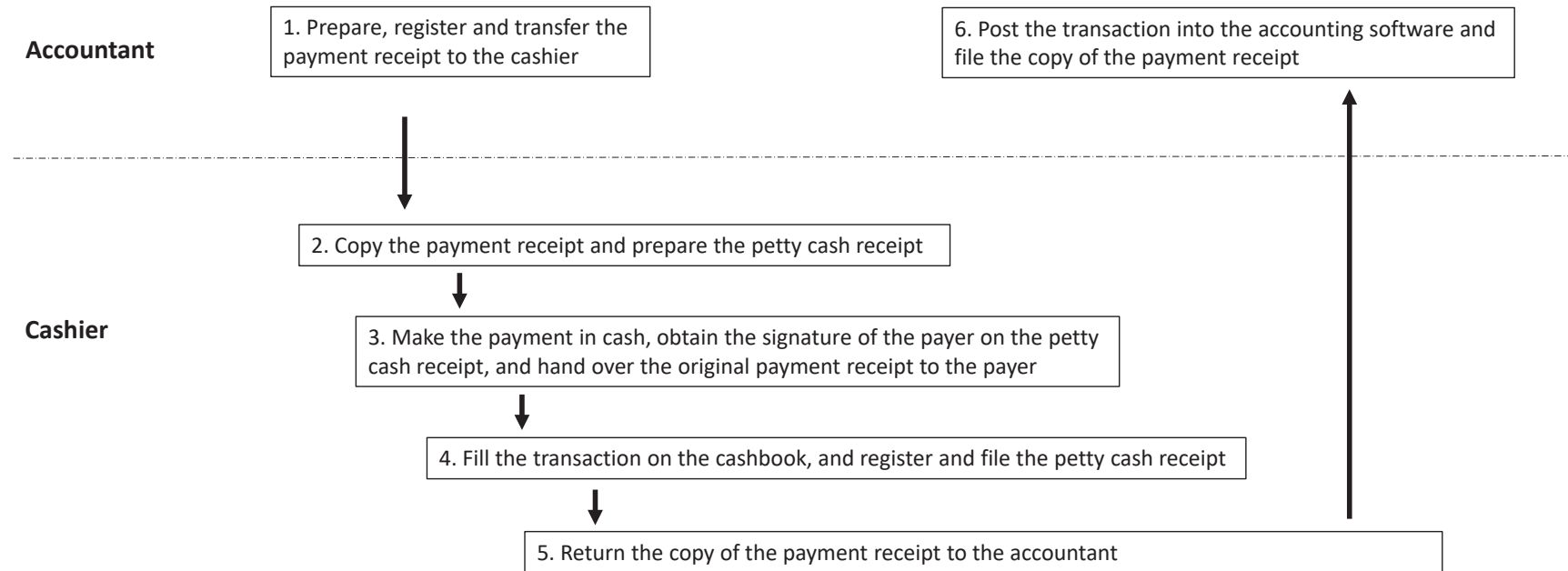
## SOP for Receiving Payments

### A) Procedures for Receiving Payments in Cheque



## SOP for Receiving Payments

### B) Procedures for Receiving Payments in Cash

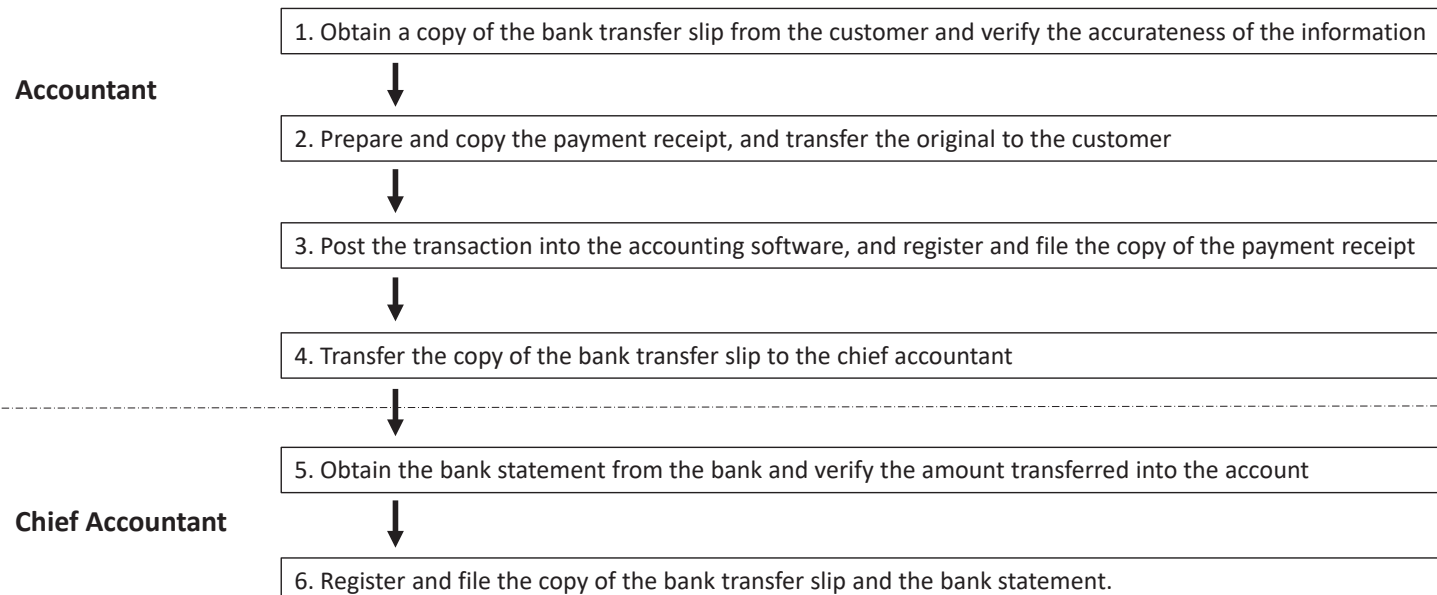


## SOP for Receiving Payments

### C) Procedures for Receiving Payments through Bank Transfer

---

---



## SOP for Accounting of Credit Purchases

### A) Procedures for recording credit purchases

---

---

**Accountant**

1. Receive invoice from the supplier or the service provider



2. Collect 1) placed order, 2) Record of Receipt and Inspection of Purchased Goods (RRIPG) related to the purchase.



3-1. Verify the payment details on the invoice  
3-2. Compare them with the information on the documents related to the purchase



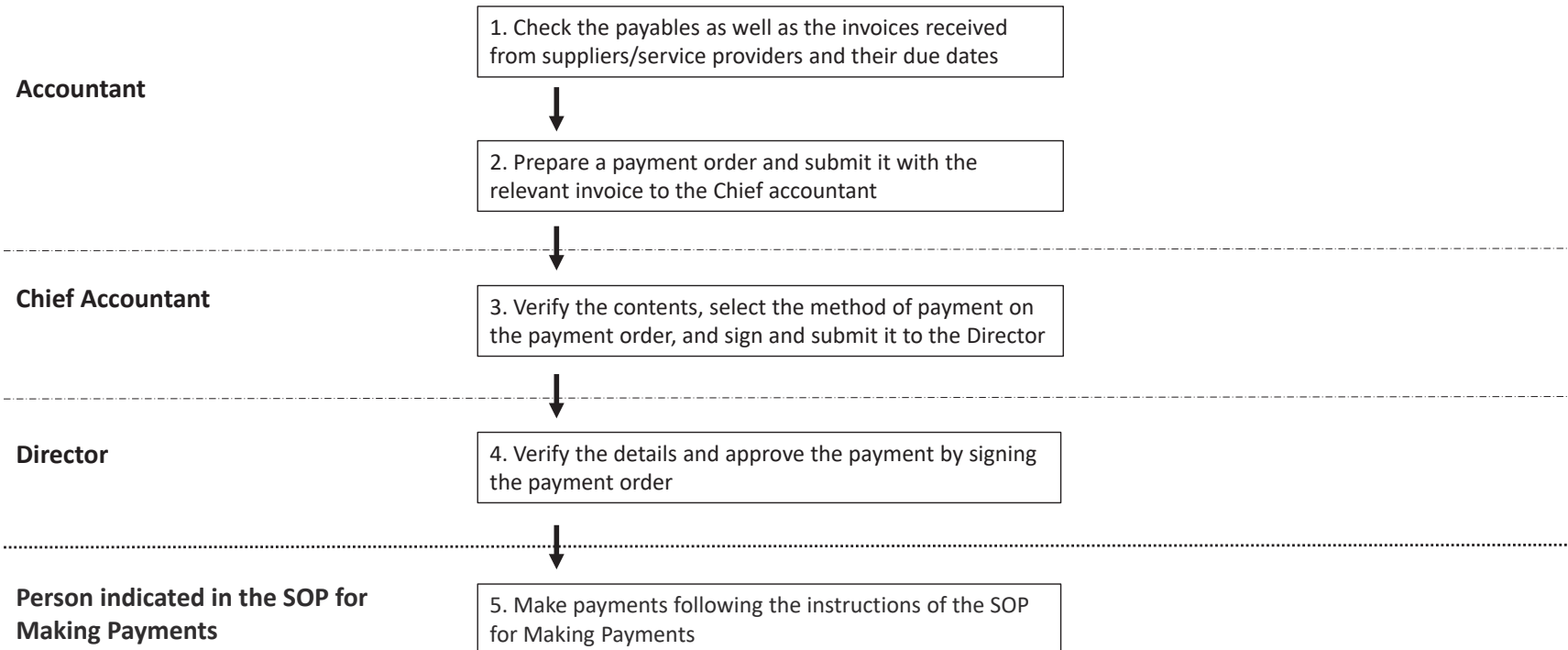
4. Verify the status of the payment from the accounting records



5. Post the transaction into the accounting software, and register and file the invoice

## SOP for Accounting of Credit Purchases

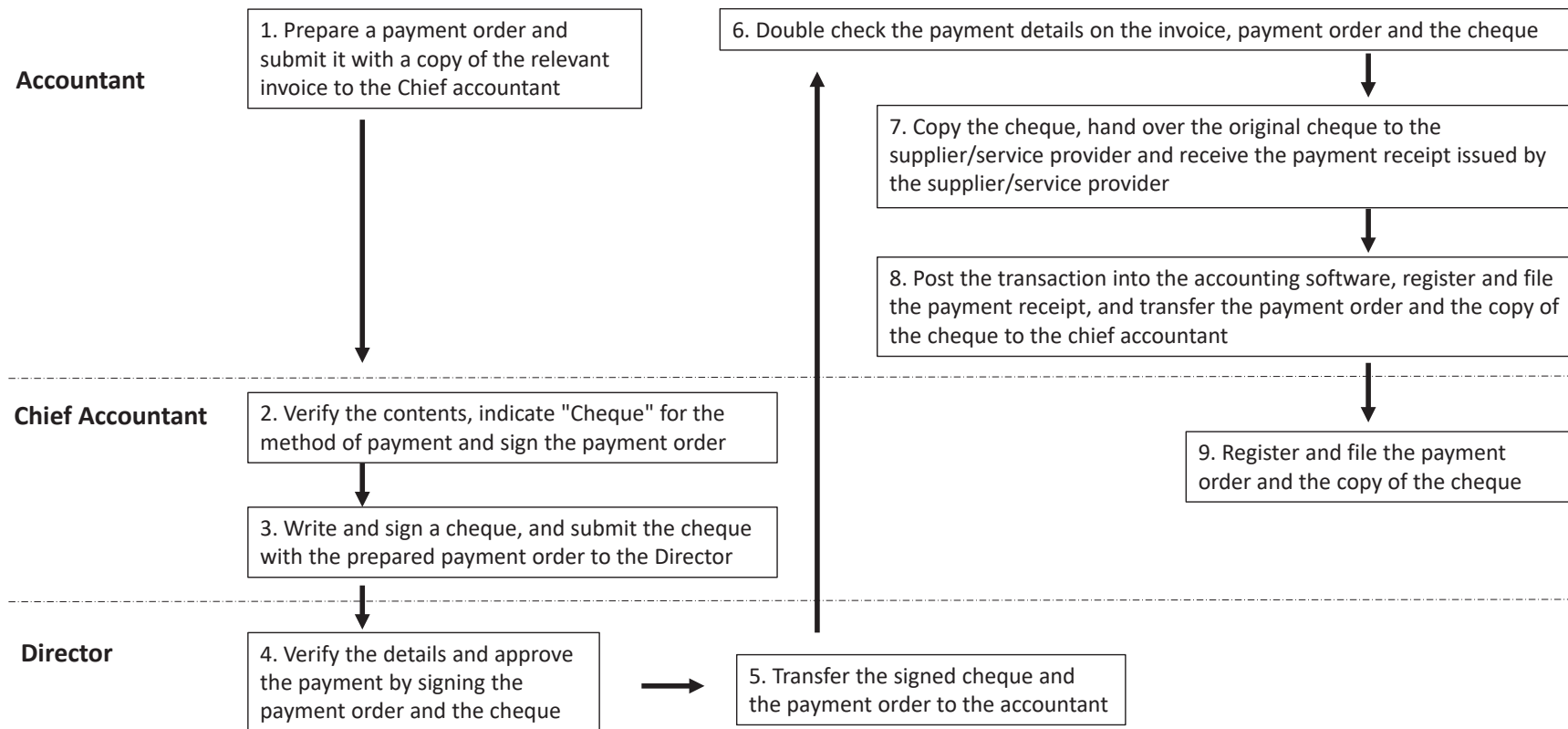
### B) Procedures for paying for credit purchases





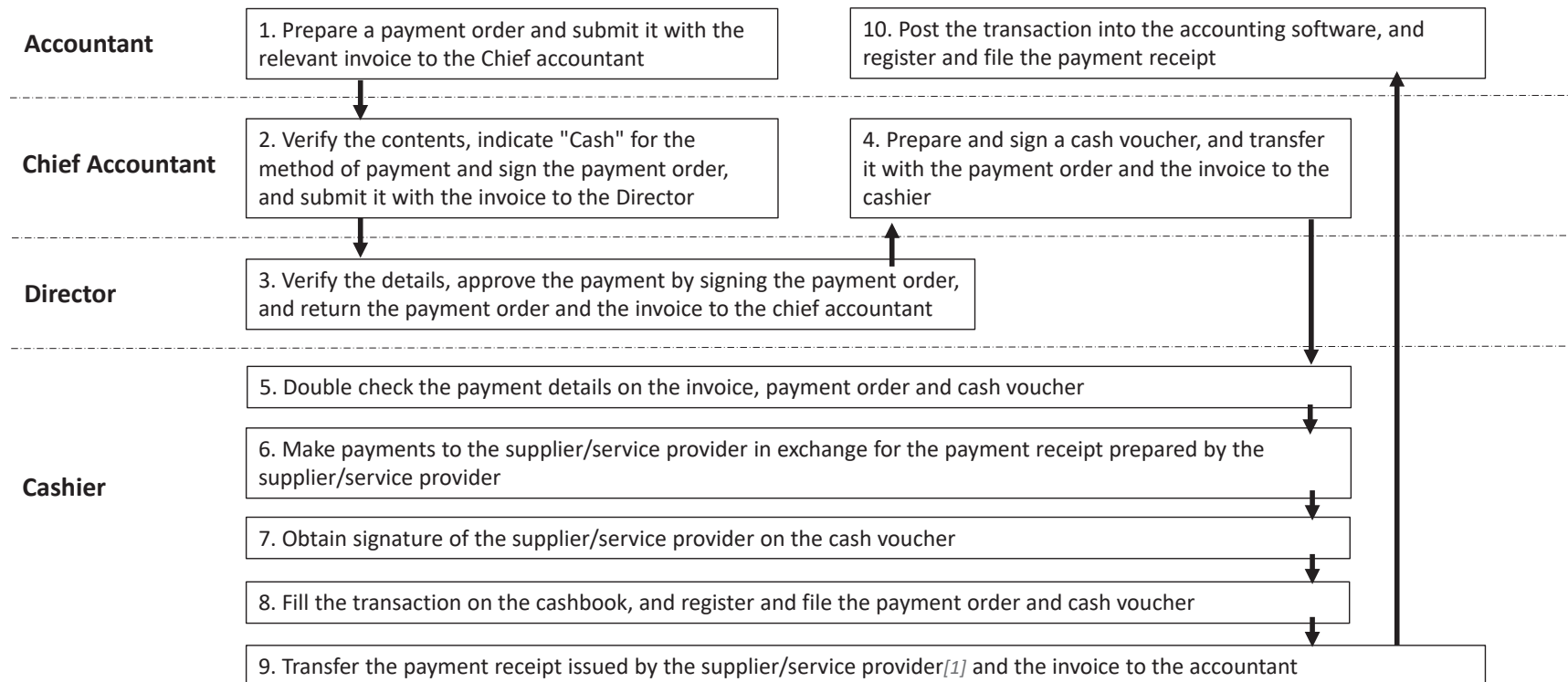
## SOP for Making Payments

### A) Procedures for Making Payments in Cheque



## SOP for Making Payments

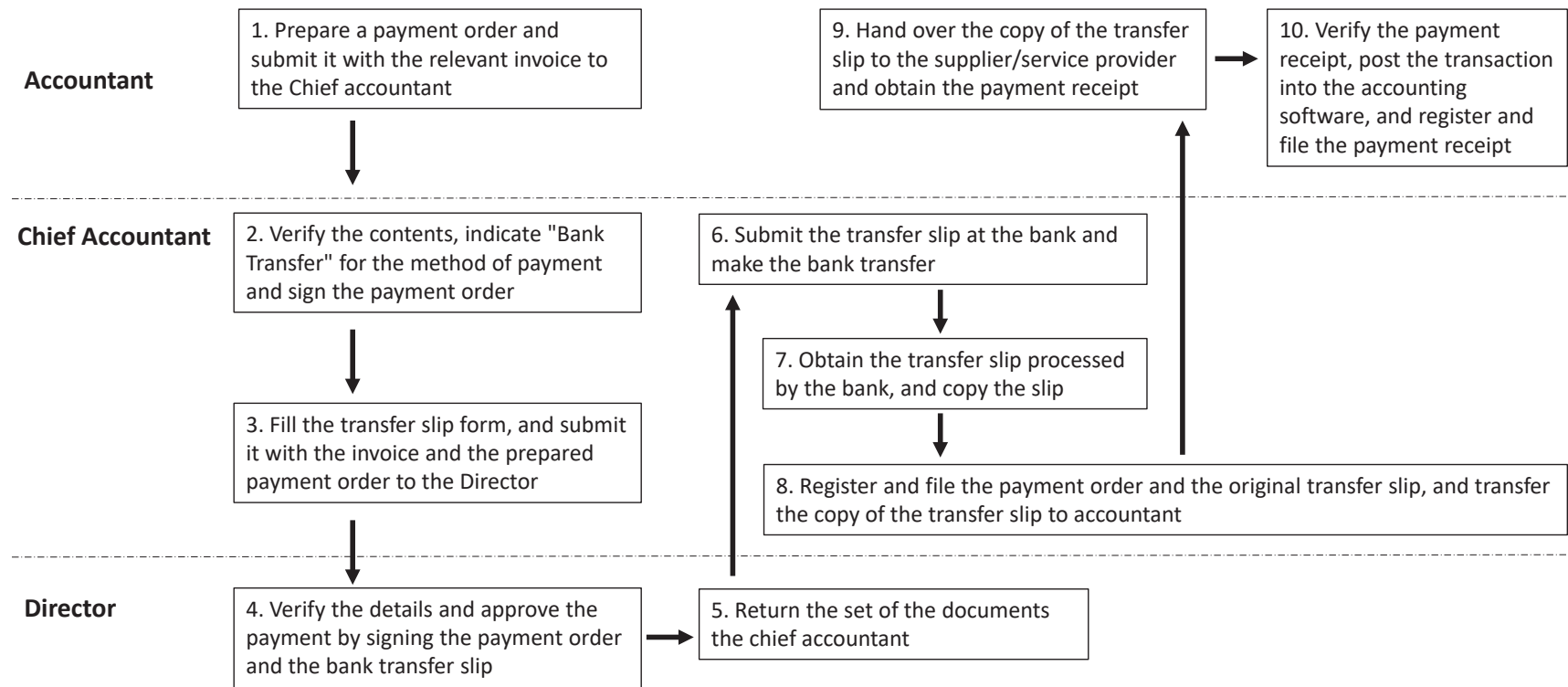
### B) Procedures for Making Payments in Cash



[1] If the recipient cannot provide a payment receipt, a copy of the cash voucher should be transferred to the accountant.

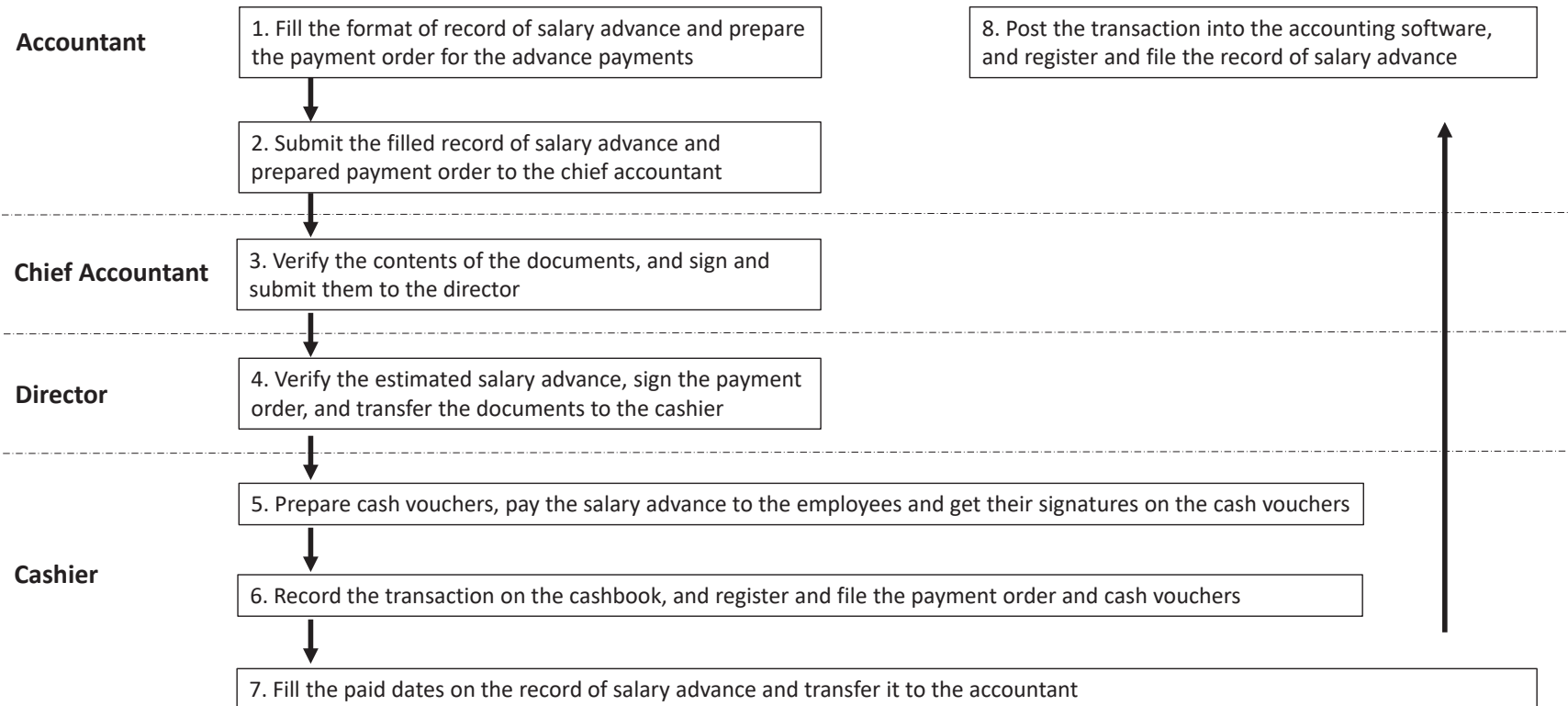
## SOP for Making Payments

### C) Procedures for Making Payments through Bank Transfer



## SOP for Salary Payment

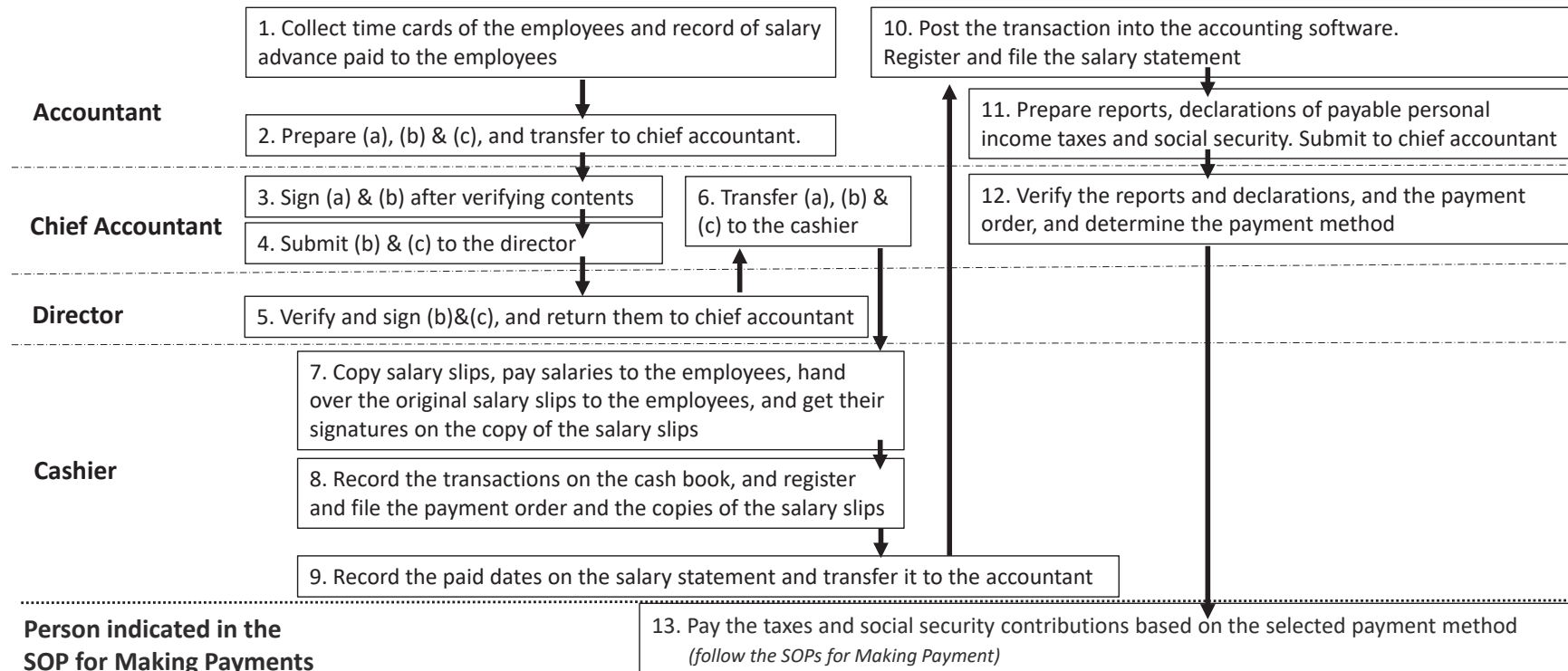
### A) Procedures for Paying Salary Advances



## SOP for Salary Payment

### B) Procedures for Paying Salaries

(a) = salary slips, (b) = salary statement, (c) = payment order



## SOP for Material Accounting

### A) Procedures for Accounting of Added Assets

**Accountant**

1. Collect the Record of Receipt and Inspection of Purchased Goods (RRIPG) after completion of every procurement



2. Identify the category, type and account for each accepted items on the RRIPG from the Chart of Accounts



3. Create an inventory record for each item



4. Fill the date, unit price, received quantity and the serial No of RRIPG on the inventory record of each item



5. Post the transaction into the accounting software



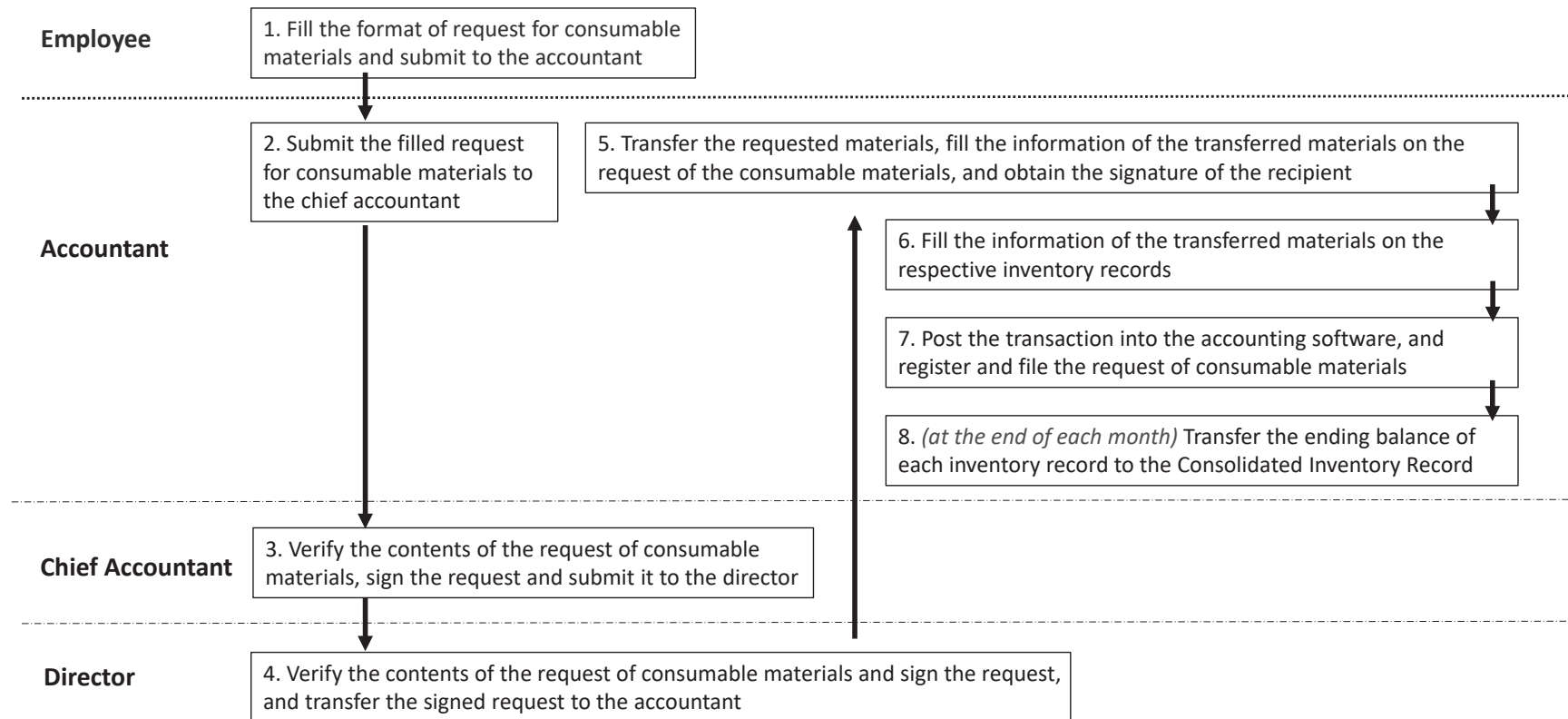
6. Register and file the RRIPG



7. *(at the end of each month)* Transfer the ending balance of each inventory record to the Consolidated Inventory Record

## SOP for Material Accounting

### B) Procedures for Accounting of Used Consumables



## **Annex 17.4 SIBI Travel Policy**



# SIBI Travel policy

## 1 Scope

This policy applies to SIBI's all employees. In this policy, 'travel' refers to a business trip to a different city/district/country than the one where the employee's office of residence is located.

This policy is not applied to traveling to and from the office on a daily basis for work.

## 2 Travel Allowances

SIBI employees may need to travel for official purposes. Official travels include:

- Meet with clients or partners;
- Attend events, like conferences, where you will represent SIBI; Visit SIBI's offices in other locations; and
- Conduct research / training or give talks/ presentations on behalf of SIBI.

For these travels, SIBI will pay the allowances to cover the expenses for transportation, accommodation and meal during the business trip. SIBI will cover the actual expenses upon the presentation of the valid receipt after the travel. Please refer to the attached decree "postanovleniem\_prt\_2015-38" (Appendix 1) and "postanovleniem\_prt\_2008-531 " (Appendix 2) for the detailed rules and amounts to be applied.

All official travels require a prior approval of SIBI management following SOP for the approval of travel request and expenses. In order for an SIBI employee to receive an advance for a travel, he/she principally needs to submit a travel advance request to the accounting officer (or chief accounting officer) 5 business days prior to his/her travel, after obtaining an approval for his/her travel from the Director. Should he/she fail to submit a travel advance request in time, he/she will have to pay expenses first from his/her pocket and then have them reimbursed after the travel (or during the travel).

It should be noted that in the cases of overseas travels a prior approval from the State Investment Committee and State Property Management of Tajikistan and/or the Presidential Office of Tajikistan may be additionally required.

Should an external entity such as a client, local government, NGO or donor agency directly pay travel expenses to an SIBI employee, SIBI will pay only the balance (if any).

### **3 Legal/ medical expenses**

If an SIBI employee travels to a country that requires a visa or other documentations to enter, SIBI will cover all relevant expenses (excluding expenses for issuing a passport), including vaccinations and medical examinations when required by the destination country. Travel insurance will be compulsory for an international travel, of which the premium will be covered by SIBI.

### **4 Transportation expenses**

SIBI will, in principle, cover the transportation expenses when an employee is traveling outside the city of his/her duty station.

Upon requesting an approval for an official travel following the SOP, an SIBI employee is required to propose the most reasonable means of transport. Reservation should be made early enough so that the most economical flight can be secured. When traveling by air, an SIBI employee will be given an economy class plane ticket. The Director can travel in business class. Should an SIBI employee travel by another means of transportation (such as a train and bus), he/she will travel in a standard seat. The Director can travel in premium class. Excess luggage will be compensated only when the Director approves.

The utilization of a public transportation is recommended when an SIBI employee moves between his/her accommodation and the meeting places. A taxi can also be used (prior written (e-mail) consent with the chief accounting officer or the Director is needed). When taxi is used by SIBI' employee, he/she should obtain a paycheck or an appropriate receipt signed by the taxi driver with attached copies of his driving license and/or the patent. When deemed economical and reasonable, use of own vehicle or rent-a-car can be justified; expenses for gas, toll and parking can be claimed.

### **5 Settlement of travel allowances and transportation**

After the travel, travel allowances (and the balance) are settled upon the submission of a travel expense summary to SIBI's accounting officer; under normal circumstances, the travel expense summary needs to be submitted to his/her supervisor within 5 business days after the travel. Should an SIBI employee fail to submit a travel expense summary, travel allowances will be deducted from his/her salary when an advance was made, or will not be reimbursed when no advance was made.

Transportation expenses are settled or reimbursed upon the submission of appropriate receipts along with a travel expense summary. It should be noted that a receipt that does not carry necessary information as an accounting source document (see SIBI accounting manual for details) may be rejected.

## **6 Submission of a travel report**

Within 5 business days after the travel, an SIBI employee must submit a travel report to his/her supervisor.

## **7 Weekend and holiday**

When you go on a business trip on a weekend or a holiday, you are entitled to a substitute holiday. Please find details on SIBI employee's handbook.

## **8 Reference**

Please follow SOP for the approval of travel request and expenses (including advances and transportation) for a business trip.

You need to fill the attached form before and after your travel. Detailed SOP and samples are also included.

## **Annex 17.5 Travel Application Form**

Submission Date : 08-Dec-19

## Travel Plan and Budget

\* Please submit this form with approved email/memo from the person in charge (ex. Director)

\* When the travel duration exceeds 5 days, please use multiple sheets

<b>Section and Position</b>	Accounting	<b>Name &amp; Sign</b>	John, Smith <span style="float: right;"><i>John, Smith</i></span>
<b>Travel Period</b>	01-Jan-20 ~ 02-Jan-20	<b>Number of days</b>	2 days <b>Email</b> <span style="float: right;"><u>john.s@xxx.com</u></span>
<b>Destination (City/Company)</b>	City XYZ	<b>Travel Objective</b>	Give a speech at company XYZ

#	Date	From	To	Stay At	Activity
Day1	01-Jan-20	Dushanbe	City XYZ	City XYZ	Visit Company ABC and give a speech
Day2	02-Jan-20	City XYZ	Dushanbe		Give a speech and discuss future plan

<b>1 Accommodation</b>	80	somoni	Day 1	80	Day 2	0	Day 3	0	Day 4	0	Day 5	0
<b>2 Meal</b>	80	somoni	Day 1	40	Day 2	40	Day 3	0	Day 4	0	Day 5	0
<b>3 Transportation</b>	36	somoni	From	Station A	To	Station B	18 somoni	From	To	somoni		
			From	Station B	To	Station A	18 somoni	From	To	somoni		
			From		To		somoni	From	To	somoni		
			From		To		somoni	From	To	somoni		
<b>4 Other</b>		somoni										
<b>TOTAL Plan Cost</b>	<b>196</b>											

Approval	Manager	Chief Accountant	Director
Signature	<i>Mary, Taylor</i>	<i>Ben, Potter</i>	<i>Alice, Morrow</i>
Date	10-Dec-19	11-Dec-19	12-Dec-19

- Is an approval email/memo attached?
- Are all signatures obtained?
- Are all calculations correct?

Submission Date : 09-Jan-20

## Travel Expense Report

\* Please submit this form with all related receipts

\* When the travel duration exceeds 5 days, please use multiple sheets

<b>Section and Position</b>	Accounting	<b>Name &amp; Sign</b>	John, Smith <span style="float: right;"><i>John, Smith</i></span>
<b>Travel Period</b>	01-Jan-20 ~ 02-Jan-20	<b>Number of days</b>	2 days
<b>Destination (City/Company)</b>	City XYZ	<b>Email</b>	john.s@xxx.com
<b>Travel Objective</b>		Give a speech at company XYZ	

#	Date	From	To	Stay At	Activity
Day1	01-Jan-20	Dushanbe	City XYZ	City XYZ	Visit Company ABC and give a speech
Day2	02-Jan-20	City XYZ	Dushanbe		Give a speech and discuss future plan

<b>1 Accommodation</b>	90	somoni	Day 1	90	Day 2	0	Day 3	0	Day 4	0	Day 5	0	
<b>2 Meal</b>	89	somoni	Day 1	45	Day 2	44	Day 3	0	Day 4	0	Day 5	0	
<b>3 Transportation</b>	36	somoni	From	Station A	To	Station B	18 somoni	From		To		somoni	
				From	Station B	To	Station A	18 somoni	From		To		somoni
				From		To		somoni	From		To		somoni
				From		To		somoni	From		To		somoni
<b>4 Other</b>		somoni											
<b>TOTAL Plan Cost</b>	<b>215</b>												
<b>Advance received</b>	<b>196</b>												
To Receive from SIBI	19	or	To return to SIBI	0									

<b>Approval</b>	<b>Manager</b>	<b>Chief Accountant</b>	<b>Director</b>
Signature	<i>Mary, Taylor</i>	<i>Ben, Potter</i>	<i>Alice, Morrow</i>
Date	10-Jan-20	11-Jan-20	12-Jan-20

- Do all receipts conform to the regulations?
- Are all signatures obtained?
- Are all calculations correct?

## **Annex 17.6 Format for Travel Report**

# Travel Report

Section and Position Name : XX Function, Staff / John, Smith	Signature : <i>John, Smith</i>
Report Date : 10-Jan-2020	

## Travel Overview

Travel Period : 01-Jan-2020 ~ 02-Jan-2020
Travel Destination : City XYZ
Purpose : Giving Speech to company 123 in city XYZ

## Summary

- \* Gave speech "XXXX" to Company 123.
  - 10 groups, 45 people joined the event.
  - 80% of the participants was satisfied and want to join similar speech in the future.
  - company 123 was satisfied with the speech given by SIBI and introduced 2 other company.
- \* Had dinner with company 123 leaders.
  - exchanged ideas and perspective for entrepreneurship in Tajikistan.
  - strengthened the bond with company 123 (company 123 asked for SIBI's next visit for speech).

SAMPLE

## Follow-ups / Next Action

- \* Analysis the pro and cons for expand the relationship with company by Jan.15th.
- \* Discuss whether to have a relationship with company 456 and NGP 789 by end of Jan with Managers.
- \* Have a presentation to Director to ask their decision on Feb.8th.

## Memo / Comments

( Nothing )

Manager Signature with Date

---





## **Annex 17.7 SIBI Employee Handbook**



Ver.1

# SIBI EMPLOYEE HANDBOOK

Updated: 24/09/2020

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**1 COMPANY PROFILE**

**1.1 History**

**1.2 Core Value**

**1.3 Vision**

**1.4 Goals**

**2 OVERVIEW**

The SIBI Employee Handbook (the “Handbook”) has been developed to provide general guidelines about SIBI policies and procedures for employees. It is a guide to assist employees in becoming familiar with their privileges and obligations. It should be noted that these guidelines are subject to modification, amendment or revocation by SIBI, the results of which will be notified to employees. When there is a discrepancy between this Handbook and the Labor Code in Tajikistan, the latter shall prevail.

Employees are encouraged to consult the Director and/or HR officer for additional information regarding the policies, procedures, and privileges described in this Handbook. Questions about personnel matters may also be reviewed with the Director.

SIBI shares this Handbook with each individual upon employment. All employees are expected to abide by it. The highest standards of personal and professional ethics and behavior are expected of all SIBI employees. Further, SIBI expects each employee to display good judgment, diplomacy and courtesy in their professional relationships with SIBI’s committees and staff members, government authorities, the donor community and the general public.

### **3 SOLICITATION**

Employees are prohibited from soliciting (personally or via electronic mail) for membership, pledges, subscriptions, the collection of money or for any other unauthorized purpose anywhere on SIBI property during work time, especially those of a partisan or political nature. "Work time" includes time spent in actual performance of job duties but does not include lunch periods or breaks. Persons who are not employed by SIBI may not solicit or distribute literature on SIBI's premises at any time for any reason.

### **4 HOURS OF WORK, ATTENDANCE AND PUNCTUALITY**

#### **4.1 Hours of Work**

The normal work week for SIBI shall consist of five (5), eight (8) hour days. Principally, work hours are from 8:00 a.m. - 5:00 p.m., Monday through Friday, including one-hour break for lunch (12:00 a.m. – 1:00 p.m.). Employees may request the opportunity to vary their work schedules (within employer-defined limits) to better accommodate personal responsibilities. Subject to SIBI work assignments and Director approval, the employee's supervisor shall determine the working hours that best suits the needs of the work to be done by the individual employee.

#### **4.2 Attendance and Punctuality**

Attendance is a key factor in an employee's job performance. Punctuality and regular attendance are expected for all employees. Excessive absences (whether excused or unexcused), tardiness or leaving early is unacceptable. If an employee is absent for any reason or plans to arrive late or leave early, he/she must notify his/her supervisor as far in advance as possible and no later than one hour before the start of his/her scheduled work day. In the event of an emergency, he/she must notify his/her supervisor as soon as possible.

For all absences extending longer than one day, an employee must notify his/her supervisor prior to the start of each scheduled workday. When reporting an absence, an employee should indicate the nature of the problem causing his/her absence and his/her expected return-to- work date. A medical doctor's statement may be required as proof of the need for any illness-related absence regardless of the length of the absence.

Excessive absences, tardiness or leaving early will be grounds for discipline up to and including termination of employment.

#### **4.3 Overtime**

Overtime is applied to the work performed beyond the regular eight hours' working time, on weekends and holidays. It is applied only for office work time, not for travel time.

An employee's overtime needs to be, in principle, authorized by his/her supervisor, who then shall report it to the Director on regular basis. Upon a mutual agreement with the Employer, the Employee can be granted a compensation leave/day off for his/her overtime work.

The rate for overtime is dependent on the time slot:

<b>Time slot</b>	<b>Classification</b>	<b>Rate</b>
06:00-08:00	Overtime	× 1.5
08:00-17:00	Regular work time	× 1.0
17:00-22:00	Overtime	× 1.5
22:00-06:00	Overtime (night work)	× 2.0

Overtime performed at 06:00-08:00 and 17:00-22:00 is paid one and a half of the regular hourly wage, while overtime at 22:00-06:00 is paid double the regular hourly wage.

## **5 POSITION DESCRIPTION AND SALARY ADMINISTRATION**

Each position shall have a written job description. In general, the description will include the: purpose of the position, areas of responsibilities, immediate supervisor(s), qualifications required, starting salary, and working conditions. The supervisor(s) or the Director shall have discretion to modify the job description to meet the needs of SIBI subject to an agreement with an employee.

Paychecks are distributed on the XXX of each month, except when either of those days falls on a Saturday, Sunday or holiday, in which case paychecks will be distributed on the preceding workday. Timesheets are due to the Director within two days of each pay period. All salary deductions are itemized and presented to employees with the paycheck. Approved salary deductions may include: income taxes; social security, and other benefits (e.g., life insurance, retirement).

## **6 WORK REVIEW**

The work of each employee is reviewed on an ongoing basis to provide the supervisor with a systematic means of evaluating performance.

The annual performance review is a formal opportunity for the supervisor and employee to exchange ideas that will strengthen their working relationship, review the past year, and anticipate SIBI's needs in the coming year. The purpose of the review is to encourage the exchange of ideas in order to create positive change within SIBI. To that end, it is incumbent upon both parties to have an open, and honest discussion concerning the employee's performance. It is further incumbent upon the supervisor to clearly communicate the needs of SIBI and what is expected of the employee in contributing to the success of SIBI's operation for the coming year.

Both supervisor and employee should attempt to arrive at an understanding regarding the objectives for the coming year. This having been done, both parties should sign the performance review form, which will be kept as part of the employee's personnel record and used as a guide during the course of

the year to monitor employee progress relative to the agreed upon objectives.

The Director reviews the work of all supervisors. Work reviews for other staff are the responsibility of the appropriate supervisor, subject to confirmation by the Director.

## **7 ECONOMIC BENEFITS AND INSURANCE**

Apart from salary, SIBI shall provide a package of benefits to all employees. SIBI reserves the right to modify or terminate any employee benefits, at any time.

### **7.1 Health/Life Insurance**

Information about SIBI's health plan(s) will be provided to the employee at the time of employment.

### **7.2 Social Security**

SIBI participates in the provisions of the Social Security program. Employees' contributions are deducted from each paycheck and SIBI contributes at the applicable wage base as established by the law.

## **8 LEAVE BENEFITS AND OTHER WORK POLICIES**

### **8.1 Holidays**

Employees have a right to rest on weekends and national holidays

As 4.3 overtime mentioned, if Employee is obliged to work on a weekend or holiday, he/she will discuss with his/her supervisor to determine which one of a substitute holiday or overtime pay should be claimed.

### **8.2 Paid Leave (annual leave)**

Full-time employees will earn at least 24 days of leave for each year of employment. Non-business holidays, temporary disability, as well as pregnancy and birth delivery leaves shall not be a part of the main annual paid leave. Employees during a probation period are not entitled to paid annual leave.

Use of annual leave is subject to approval by the supervisor and the Director using the appropriate leave request form.

Employees can carry over not more than 12 days of paid leave from one year to the next; therefore, the Employer must encourage employees to use paid leave. In case that an employee has left more than 12 days of leave unused in the end of the year, the Employer must reimburse him/her with cash payment for the number of days exceeding 12.

Unused leave will be paid upon separation, but leave days carried over are not subject to



reimbursement. If an employee worked partially during the working year until the date of separation, the reimbursement shall be made proportionate to the time worked out by the employee.

### **8.3 Sick Leave**

Use of sick leave is subject to approval by the supervisor and the Director.

If an employee's illness or injury requires a consecutive absence of three (3) days or more, a medical doctor's documentation will be required.

### **8.4 Maternity Leave**

A female employee, shall be entitled to 70 calendar days of pre-delivery leave and also 70 calendar days (88 days in case of difficult delivery and 110 days for delivery of twins or more children) of post-delivery leave and are paid allowance from the public social insurance upon presentation of a medical certificate. The leave shall commence and approved by the Director. In case of maternity leave during probationary period, the probationary period shall be extended for equal duration of maternity leave absence.

Sick leave shall not normally be granted during maternity leave except where serious relevant complications arise.

Annual leave shall continue to accrue during the period of maternity leave.

### **8.5 Paternity Leave**

On the occasion of the childbirth by eligible spouse, employee shall be entitled to XX working days of leave with pay excluding travel days.

### **8.6 Childcare leave**

- (1) Women are granted child care leave at their request after the end of their pre- and post-delivery leave until their children reach 18 months and are paid allowance from the public social insurance fund in this period.
- (2) Unpaid child care leave is granted until the child reaches three years old at the request of employees.
- (3) The Employee's position (post) is held during unpaid child care leave until the child reaches three years old.
- (4) The Employee is obliged to inform the Employer one month prior about his/her request to resume work before the end of unpaid child care leave for child under three years old.

## **8.7 Bereavement Leave**

Employees shall be entitled to bereavement leave with pay of five (5) days in the event of a death in the employee's immediate family (spouse/life partner, child or parent) and three (3) days for grandparent, sister or brother, father-in-law, mother-in-law, or grandchildren. If an employee wishes to take time off due to the death of an immediate family member, the employee should notify the supervisor and the Director immediately.

## **8.8 Additional paid leave**

When deemed appropriate and fair under special circumstances, SIBI Director has discretion to grant additional paid leave to any employee.

## **9 TRAVEL EXPENSES**

When an employee serves in an official capacity for SIBI at conferences, meetings and other activities of which attendance is approved by the Director, SIBI will pay his/her travel expenses including costs for transport, meal and lodging. The rules for such travels and expenses as well as the modalities of payment (including reimbursement) will be specified in SIBI's Travel Policy.

## **10 POLICY AGAINST WORKPLACE HARASSMENT**

SIBI is committed to providing a work environment for all employees that is free from sexual harassment and other types of discriminatory harassment. Employees are expected to behave themselves in a professional manner and to show respect for their co-workers.

*Prohibition of Sexual Harassment:* While it is not possible to list all of the circumstances which would constitute sexual harassment, the following are some examples: (1) unwelcome sexual advances regardless of the involvement of physical touching; (2) requests for sexual favors in exchange for actual or promised job benefits such as favorable reviews, salary increases, promotions, increased benefits, or continued employment; or (3) coerced sexual acts.

Depending on the circumstances, the following conduct may also constitute sexual harassment: (1) use of sexual epithets, jokes, written or oral references to sexual conduct, gossip regarding one's sex life; (2) sexually oriented comment on an individual's body, comment about an individual's sexual activity, deficiencies, or prowess; (3) displaying sexually suggestive objects, pictures, cartoons; (4) unwelcome leering, whistling, deliberate brushing against the body in a suggestive manner; (5) sexual gestures or sexually suggestive comments; (6) inquiries into one's sexual experiences; or (7) discussion of one's sexual activities. While such behavior, depending on the circumstances, may not be severe or pervasive enough to create a sexually hostile work environment, it can nonetheless make co-workers uncomfortable. Accordingly, such behavior is inappropriate and may result in disciplinary action regardless of whether it is unlawful.

*Prohibition of Other Types of Discriminatory Harassment:* It is also against SIBI's policy to engage in verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his or her race, color, gender, religion, sexual orientation, age, national origin, disability, or other protected categories (or that of the individual's relatives, friends, or associates) that: (1) has the purpose or effect of creating an intimidating, hostile, humiliating, or offensive working environment; (2) has the purpose or effect of unreasonably interfering with an individual's work performance; or (3) otherwise adversely affects an individual's employment opportunities.

Depending on the circumstances, the following conduct may constitute discriminatory harassment: (1) epithets, slurs, negative stereotyping, jokes, or threatening, intimidating, or hostile acts that relate to race, color, gender, religion, sexual orientation, age, national origin, or disability; and (2) written or graphic material that denigrates or shows hostility toward an individual or group because of race, color, gender, religion, sexual orientation, age, national origin, or disability and that is circulated in the workplace, or placed anywhere in SIBI's premises such as on an employee's desk or workspace or on SIBI's equipment or bulletin boards. Other conduct may also constitute discriminatory harassment if it falls within the definition of discriminatory harassment set forth above.

It is also against SIBI's policy to retaliate against an employee for filing a complaint of sexual or other types of discriminatory harassment or for cooperating in an investigation of a complaint of such harassment.

*Reporting of Harassment:* If an employee believe that he/she has experienced or witnessed sexual harassment or other discriminatory harassment by any employee of SIBI, he/she should report the incident immediately to his/her supervisor or to the Director. Possible harassment by others with whom SIBI has a business relationship, including customers and vendors, should also be reported as soon as possible so that appropriate action can be taken.

SIBI will promptly and thoroughly investigate all reports of harassment as discreetly and confidentially as practicable. The investigation would generally include a private interview with the person making a report of harassment. It would also generally be necessary to discuss allegations of harassment with the accused individual and others who may have information relevant to the investigation. SIBI's goal is to conduct a thorough investigation, to determine whether harassment occurred, and to determine what action to take if it is determined that improper behavior occurred.

If SIBI determines that a violation of this policy has occurred, it will take appropriate disciplinary action against the offending party, which can include counseling, warnings, suspensions, and termination. Employees who report violations of this policy and employees who cooperate with investigations into alleged violations of this policy will not be subject to retaliation. Upon completion of the investigation, SIBI will inform the employee who made the complaint of the results of the investigation.

Compliance with this policy is a condition of each employee's employment. Employees are

encouraged to raise any questions or concerns about this policy or about possible discriminatory harassment with the Director. In the case where the allegation of harassment is against the Director, please notify the staff member designated as grievance officer.

## **11 SEPARATION**

Either SIBI or the employee may initiate separation. SIBI encourages employees to provide at least two weeks (10 business days) written notice prior to intended separation. After receiving such notice, an exit interview will be scheduled by the Director.

Circumstances under which separation may occur include:

- Resignation. Employees are encouraged to give at least 10 business days of written notice. Since a longer period is desired, the intention to resign should be made known as far in advance as possible. Employees who resign are entitled to receive accrued, unused Vacation benefits.
- Termination or Lay-off. Under certain circumstances, the termination or lay-off of an employee may be necessary. Employees who are terminated or laid off are entitled to receive accrued, unused Vacation benefits.

The Director has authority to discharge an employee from the employ of SIBI. Reasons for discharge may include, but are not limited to:

- Falsifying or withholding information on the employee's employment application that did or would have affected SIBI's decision to hire him/her (this conduct will result in his/her immediate termination);
- Falsifying or withholding information in other personnel records including personnel questionnaires, performance evaluations or any other records;
- Performance at work below a level acceptable to SIBI or the failure to perform assigned duties;
- Failure to complete required time records or falsification of such time records;
- Insubordination;
- Negligence in the performance of duties likely to cause or actually causing personal injury or property damage;
- Fighting, arguing or attempting to injure another;
- Destroying or willfully damaging the personal property of another, including SIBI's property;
- Breach of confidentiality;

- Using or appearing to use for personal gain any information obtained on the job, which is not readily available to the general public or disclosing such information that damages the interests of SIBI or its customers or vendors;
- Placing oneself in a position in which personal interests and those of SIBI are or appear to be in conflict or might interfere with the ability of the employee to perform the job as well as possible;
- Using SIBI property or services for personal gain or taking, removing or disposing of SIBI materials, supplies or equipment without proper authority;
- Gambling in any form on SIBI property;
- Dishonesty;
- Theft;
- The possession, use, sale or being under the influence of drugs or other controlled substances or alcoholic beverages during working hours or on the SIBI premises at any time in violation of SIBI's policies.
- Carrying or possessing firearms or weapons on SIBI property;
- Excessive tardiness or absenteeism whether excused or unexcused;
- Unauthorized absence from work without proper notice; and
- Engaging in discriminatory or abusive behavior, including sexual harassment.

In principle, the Employer shall take the following steps prior to the termination of the contract:

- warning;
- reprimand;
- severe reprimand;

## **12 RETURN OF PROPERTY**

Employees are responsible for SIBI equipment, property and work products that may be issued to them and/or are in their possession or control, including but not limited to:

- Credit cards,
- Identification badges,
- Office/building keys,

- Office/building security passes,
- Computers, computerized diskettes, electronic/voice mail codes, and
- Intellectual property (e.g., written materials, work products).

In the event of separation from employment, or immediately upon request by the Director, employees must return all SIBI property that is in their possession or control. Where permitted by applicable law(s), SIBI may withhold from the employee's final paycheck the cost of any property, including intellectual property, which is not returned when required. SIBI also may take any action deemed appropriate to recover or protect its property.

### **13 ATTENDANCE RECORDS**

All employees must complete, within two days prior to the end of each pay period, their time and attendance record for review and approval by the Director. Accurately recording time worked is the responsibility of every employee. Tampering, altering, or falsifying time records, or recording time on another employee's time record may result in disciplinary action, including separation from employment with SIBI.

### **14 OUTSIDE EMPLOYMENT**

Individuals employed by SIBI may hold outside jobs as long as they meet the performance standards of their job with SIBI. Employees who hold an outside job are required to discuss with their supervisor appropriate working time. Employees should consider the impact that outside employment may have on their ability to perform their duties at SIBI. All employees will be evaluated by the same performance standards and will be subject to SIBI scheduling demands, regardless of any outside work requirements.

If SIBI determines that an employee's outside work interferes with their job performance or their ability to meet the requirements of SIBI, as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain employed with SIBI.

Outside employment that constitutes a conflict of interest is prohibited. Employees may not receive any income or material gain from individuals or organizations for materials produced or services rendered while performing their jobs with SIBI.

### **15 NON - DISCLOSURE OF CONFIDENTIAL INFORMATION**

Any information that an employee learns about SIBI, or its members, donors or clients, as a result of working for SIBI that is not otherwise publicly available constitutes confidential information. Employees may not disclose confidential information to anyone who is not employed by SIBI or to other persons employed by SIBI who do not need to know such information to assist in rendering

services.

The protection of privileged and confidential information, including commercial secrets, is vital to the interests and the success of SIBI. The disclosure, distribution, electronic transmission or copying of SIBI's confidential information is prohibited. Such information includes, but is not limited to the following examples:

- Compensation data.
- Program and financial information, including information related to donors, and pending projects and proposals.

Any employee who discloses confidential SIBI information will be subject to disciplinary action (including possible separation), even if he or she does not actually benefit from the disclosure of such information.

Discussions involving sensitive information should always be held in confidential settings to safeguard the confidentiality of the information. Conversations regarding confidential information generally should not be conducted on cellular phones, or in elevators, restrooms, restaurants, or other places where conversations might be overheard.

## **16 COMPUTER AND INFORMATION SECURITY**

This section sets forth some important rules relating to the use of SIBI's computer and communications systems. These systems include individual PCs provided to employees, centralized computer equipment, all associated software, and SIBI's telephone, voice mail and electronic mail systems.

SIBI has provided these systems to support its mission. Although limited personal use of SIBI's systems is allowed, subject to the restrictions outlined below, no use of these systems should ever conflict with the primary purpose for which they have been provided, SIBI's ethical responsibilities or with applicable laws and regulations. Each user is personally responsible to ensure that these guidelines are followed.

All data in SIBI's computer and communication systems (including documents, other electronic files, e-mail and recorded voice mail messages) are the property of SIBI. SIBI may inspect and monitor such data at any time. No individual should have any expectation of privacy for messages or other data recorded in SIBI's systems. This includes documents or messages marked "private," which may be inaccessible to most users but remain available to SIBI.

SIBI's systems must not be used to create or transmit material that is derogatory, defamatory, obscene or offensive. Similarly, SIBI's systems must not be used to solicit or proselytize others for commercial purposes, causes, outside organizations, chain messages or other non-job related purposes.

Security procedures in the form of unique user sign-on identification and passwords have been provided to control access to SIBI's host computer system and networks. In addition, security facilities have been provided to restrict access to certain documents and files for the purpose of safeguarding information. The following activities, which present security risks, should be avoided.

- Bypass, or render ineffective, security facilities;
- Share passwords between users;
- Make changes (additions or modifications) to the hardware configuration of computers. Requests for such changes should be directed to computer support or management;
- Load personal software (including outside email services) or programs to SIBI computers. This practice risks the introduction of a computer virus into the system;
- Copy SIBI's software (whether developed internally or licensed) onto any media other than for the purpose of backing up the hard drive. Software documentation for programs developed and/or licensed by SIBI should not be removed from the offices; or
- Change the location or installation of computers in offices and work areas. Requests for such changes should be directed to computer support or management.

There are a number of practices that individual users should adopt that will foster a higher level of security. Among them are the following:

- Turn off your personal computer when you are leaving your work area or office for an extended period of time;
- Exercise judgment in assigning an appropriate level of security to documents stored on the company's networks, based on a realistic appraisal of the need for confidentiality or privacy;
- Remove previously written information from media before copying documents on it for delivery outside SIBI; and
- Back up any information stored locally on your personal computer (other than network-based software and documents) on a frequent and regular basis.

## **17 INTERNET ACCEPTABLE USE POLICY**

SIBI provides access to the Internet for authorized users to support its mission. Each user is personally responsible to ensure that these guidelines are followed. Serious repercussions, including termination, may result if the guidelines are not followed.

SIBI may monitor usage of the Internet by employees, including reviewing a list of sites accessed by an individual. No individual should have any expectation of privacy in terms of his or her usage of the Internet. In addition, SIBI may restrict access to certain sites that it deems are not necessary for



business purposes.

SIBI's connection to the Internet may not be used for any of the following activities:

- Access, send, receive or solicit sexually-oriented messages or images;
- Transmit personal comments or statements through e-mail or to post; information to news groups that may be mistaken as the position of SIBI.
- Solicit or proselytize others for commercial purposes, causes, chain messages or other non-job-related activities; or
- Endorse political candidates or campaigns

The Internet provides access to many sites that charge a subscription or usage fee to access and use the information on the site. Requests for approval must be submitted to the supervisor.

## **Annex 17.8 Recruitment Flowchart**

## Recruitment Process

No.	TASK	Person in charge
0	Establish Selection Committee	Director
No.	TASK	Person in charge
1	Confirm the budget and prepare TOR for the person to be hired	Unit in charge of recruitment
2	Draft contract terms and the job description	Unit in charge of recruitment
3	Decide final TOR, contract terms and job description	Selection Committee
4	Publish the job offer	Unit in charge of recruitment
5	Examine application documents and short-list the candidates	Unit in charge of recruitment
6	Secure the interview place and announce it to relevant people	Unit in charge of recruitment
7	Hold interviews and decide the best candidate	Selection Committee
8	Validate the results of the interviews	Director
9	Fill in the contract with relevant information on the selected candidate	Unit in charge of recruitment
10	Sign the contract with a probation period	Director
11	Notify the selection results to all applicants	Unit in charge of recruitment

# Recruitment Process Flowchart

**Director**

0. Establish Selection Committee

8. Validate the results of the interviews

10. Sign the contract with a probation period

**Selection Committee**

3. Decide final TOR, contract terms and job description

7. Hold interviews and decide the best candidate

**Unit in charge of recruitment**

1. Confirm the budget and prepare TOR for the person to be hired

4. Publish the job offer

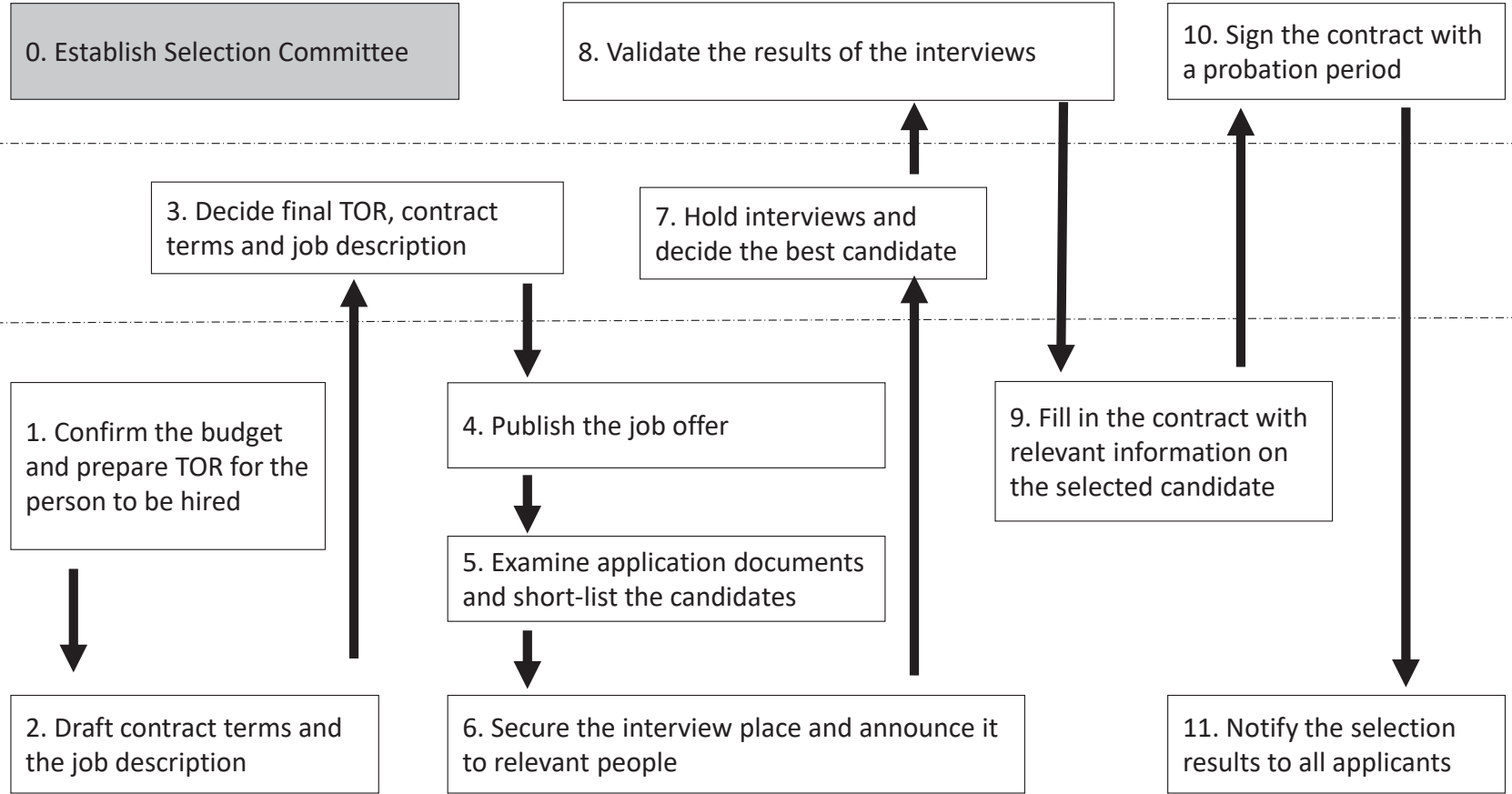
9. Fill in the contract with relevant information on the selected candidate

5. Examine application documents and short-list the candidates

2. Draft contract terms and the job description

6. Secure the interview place and announce it to relevant people

11. Notify the selection results to all applicants



## **Annex 17.9 Guideline for Processing and Filing Source Documents**

## Guideline for Processing and Filing Source Documents

### (1) Objective

When an organization records a transaction into its accounting software, it requires certain source documents as evidences. In order to properly handle and maintain many different source documents, it need standardized formats and procedures for preparing and processing them.

The objective of this guideline is to introduce a standardized processing and filing system for accounting source documents across the SIBI's divisions/units.

### (2) Types and uses of accounting source documents

Accounting source documents can be either primary source documents or secondary source documents. A primary source document provides original information for accounting, while a secondary source document is a document that summarizes information of several primary source documents.<sup>1</sup>

Accounting source documents can also be classified based on the types of transactions or the objects they are related to. In this guideline, source documents are classified as follows:

- documents related to cash assets;
- documents related to settlements;
- documents related to salary payment; and
- documents related to materials and inventories.

The tables below show detailed information about the source documents of each category:

Table1: Source documents related to cash assets

Form #	Source document	Explanation
Form1	Petty cash receipt (primary)	This document is issued when cash is received and added to the petty cash fund. The received cash can be either revenue paid by customers at the cashier or money withdrawn from SIBI's bank account. Sometimes, part of money disbursed from the petty cash fund returns to the cashier.
Form2	Cash voucher (primary)	This document serves as proof that expenses are paid in cash. It must be issued based on the payment order signed by both the chief accountant and the director of SIBI.
Form3	Cashbook (secondary)	The cashbook is a chronological record of cash received and given by the cashier. Each entry on the cash book must be evidenced with either a petty cash receipt or a cash voucher.
Form4	Cash reconciliation report (primary)	Cash reconciliation is the process of verifying the amount of cash being available at the cashier. The report serves as proof that the money is being appropriately managed at the cashier. The cashier should conduct cash reconciliation regularly. When necessary, a person or a working group appointed or established by the management performs the cash reconciliation. The purpose of cash reconciliation is to compare the remaining cash at the cashier and the ending balance of the cashbook. When there is a difference between these two figures, mistakes must be detected and necessary measures be taken.
-	Bank statements (primary/secondary)	Banks issue this document. It shows the amounts of the cash deposited and withdrawn from accounts.

<sup>1</sup> It should be noted that some secondary source documents also provide original information. An example is a bank statement, which shows not only the amounts debited or credited but also banking service charges, which are not shown on bank slips.

-	Bank slips (primary)	Bank slips are designated forms at the banks when placing deposits into the account, withdrawing cash, and requesting a bank transfer. Based on the bank slips, the accountant posts the relevant transactions (deposits and the payment from the bank accounts, etc.) into the accounting software. Some payments, such as banking services fees, can only be found on the bank statements.
-	Cheques (primary)	All cheques issued and received by SIBI must be copied, and the copies are used as evidence for the revenues received and expenses made in cheques. The original cheques are handed over to suppliers/service providers (for cheques issued by SIBI) or submitted to the bank when cashing the cheques (for cheques received from customers).

Table2: Source documents related to payment

Form #	Source document	Explanation
Form5	Payment order (primary)	This document is prepared for each payment. With the signature of the director, the payment order permits the accounting staff to make the payment.
Form6	Invoice <sup>2</sup> (primary)	An invoice is evidence of credit sales and credit purchases. When a credit sale is recognized, SIBI should issue an invoice, copy it, and send the original to the customer. The copy of the invoice is retained. An invoice is also received from a supplier when SIBI purchases goods on credit. With the issuance or receipt of an invoice, SIBI should record receivables or payables.
Form7	Payment receipt (primary)	This document proves that the payment of goods and services were made. SIBI must issue a payment receipt upon the receipt of the payment, copy the payment receipt and hand over the original to the payer. The copy of the document is retained. If SIBI makes payments to a supplier or service provider, the supplier/service provider issues the document and hand over its original to SIBI.

Table3: Source documents related to salary payment

Form #	Source document	Explanation
Form8	Salary slip (primary)	The document shows the details of the salary to be paid to an employee. It includes the nominal salary, additions (overtime pays or other compensations), gross amount, deductions (amount paid in advance, personal income tax and social security contributions), and the net pay. A salary slip must be issued for each employee. The original slips are given to the employees, and copies of the slips are retained.
Form9	Record of salary advance (primary)	The document is prepared when a salary advance is paid to an employee. It serves as evidence for the salary paid in advance.
Form10	Salary statement (secondary/primary)	The document is a summary of the salary slips prepared for SIBI's all employees. It also includes the amounts of personal income taxes and social security contributions of the employees. Based on this document, salary expenses and payables of personal income taxes and social security contributions are posted into the accounting software.

Table4: Source documents related to materials and inventories

Form #	Source document	Explanation
Form11	Record of receipt and inspection of purchased goods (primary)	This document is prepared when inspecting purchased assets. The inspection is conducted at the SIBI's premises with the presence of the supplier's or transporter's representative(s). The purpose of this process is to verify if the supplier delivered the correct items; the items are compared with the information on the placed order with their quantity, quality, physical state, and functionality examined. With proper content filled by the staff in charge of inspection, the document becomes the source for recording the purchased assets into the SIBI's assets accounts.

<sup>2</sup> The guideline did not discuss Quotation and Delivery Note, as these auxiliary documents do not affect the recognition of revenues and expenses. If issued or received, they should be attached to the relevant invoices.

Form12	Request for consumable materials (primary)	Consumable materials are released with proper approval of the management. An employee who needs consumable materials has to write a Request for consumable materials and submits it to the management for approval. With the signature of the director, the document permits the accountant (or the person in charge of assets) to release the requested material. Based on the document, the material expenses are recognized.
Form13	Inventory record (secondary)	One inventory record is prepared for one type of consumable items. It serves as a sub-ledger of consumable assets. Transactions in inventory records are written based on a Record of receipt and inspection of purchased goods (Form11) and a Request for consumable materials (Form12).
Form14	Consolidated inventory record (secondary)	At the end of an accounting period, the total amounts of increase and decrease, and the ending balances of all inventory records are recorded into the Consolidated Inventory Record. The document shows all the consumable materials available at SIBI at the end of the accounting period.

### **(3) Validity of source documents**

A source document is deemed valid only when its information indicated on the document is complete and correct. Corrections on some documents are accepted to a certain extent, with the signature(s) of the person(s) who issued or approved the document (to be explained at the end of this section).

Primary source documents must include the following information; the accounting staff must make sure the completeness and correctness of the information on the document whenever it is prepared or received:

- Title of the document;
- Document No.;
- Date of issue;
- Name of the issuing organization;
- Taxpayer ID (for invoices and payment receipts);
- Name of the purchaser (organization or individual);
- Description of the purchased items;
- Quantity and units of measurement (for invoices and payment receipts);
- Unit prices and the total amount (for invoices and payment receipts); and
- Names and positions of the persons who issued or approved the document, and their signatures or stamps;

If any of the above information is missing, especially on invoices and payment receipts, the document must not be accepted for accounting; the accounting staff must request the issuer to complete the information and resubmit the documents. If wrong information is found on the documents other than those issued by banks or primary source documents related to cash assets, the information can be corrected as long as the corrections do not affect the total monetary amount indicated on the document. The corrections must be certified with the signature of the person who issued or approved the document. Any corrections on bank documents and primary source documents related to cash assets are not allowed, according to the Law of Tajikistan on Accounting and Financial Reporting. These documents must be reissued if defects are found.

### **(4) Document folders and registry**

The accounting source documents will be stored in seven folders presented in Table5. A document registry must be created for each of the folders and kept in the relevant folder. The



following information must be recorded in the registries when a source document is accepted for accounting: (1) registry No<sup>3</sup>, (2) received date, (3) title of the document, (4) document serial No, (5) issued organization, and (6) monetary value (amount).

Table5: Document folders

Folder No	Folders	Documents	Person to register and file the documents
1	Folder1: Petty cash	<ul style="list-style-type: none"> <li>• Petty cash receipts and payment receipts issued for the revenues received in cash</li> <li>• Cash vouchers, copies of salary slips, and payment orders issued for the payments made in cash,</li> <li>• Cashbook</li> <li>• Cash reconciliation reports</li> </ul>	Cashier
2	Folder2: Bank accounts	<ul style="list-style-type: none"> <li>• Bank deposit slips, copies of received cheques, and statements of cashing (statements of cashed cheques)</li> <li>• Bank transfer slips, copies of issued cheques, and payment orders issued for the payments made in cheque and through bank transfer</li> <li>• bank statements</li> </ul>	Chief accountant
3	Folder3: Revenues	<ul style="list-style-type: none"> <li>• Copies of invoices issued by SIBI</li> <li>• Copies of payment receipts issued by SIBI</li> <li>• Copies of bank transfer slips received from suppliers/service providers</li> </ul>	Accountant
4	Folder4: Purchases and expenses	<ul style="list-style-type: none"> <li>• Invoices issued by suppliers/service providers</li> <li>• Payment receipts issued by suppliers/service providers</li> </ul>	Accountant
5	Folder5: Salaries, remunerations, and allowances <sup>4</sup>	<ul style="list-style-type: none"> <li>• Records of salary advance</li> <li>• Salary statements</li> </ul>	Accountant
6	Folder6: Taxes, insurance, and social security expenses	Prepared tax return, declarations of social security contributions, and invoices and payment receipts issued by insurance companies	Chief accountant
7	Folder7: Other accounting documents	Contracts, documents related to materials and inventory, and other source documents	Accountant

### (5) Procedures for filing source documents

The accounting staff must file source documents through the following steps:

1. Copy source documents printed on thermal paper

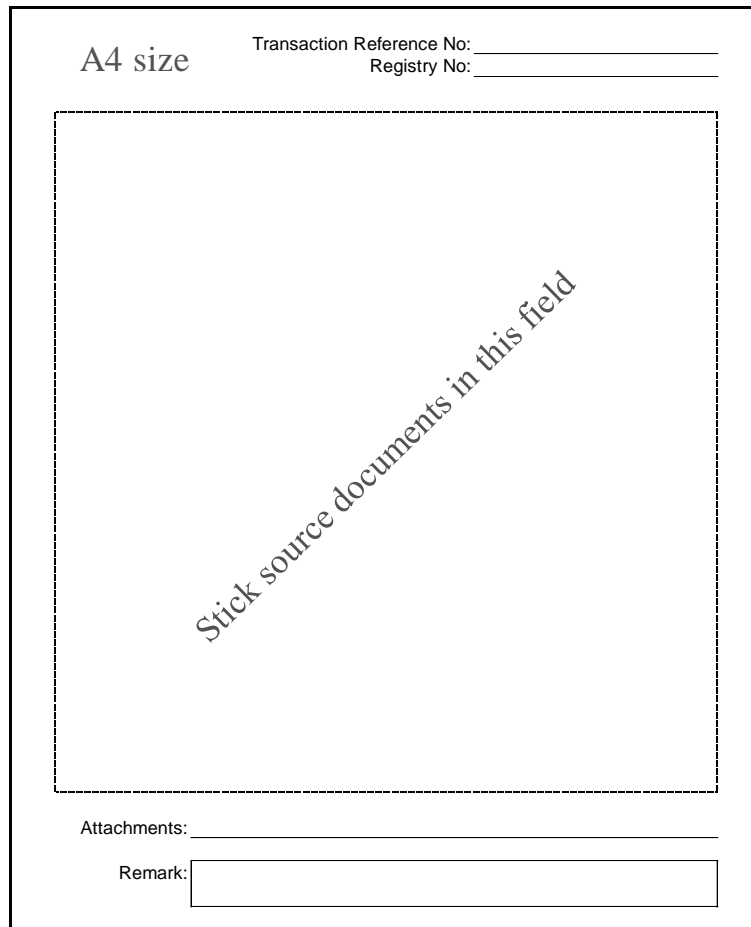
As the ink on thermal paper fades quickly, source documents printed on thermal paper such as receipts from a cashier machine should be copied, and the copy should be attached to the original.

2. Stick source documents on paper background sheets

<sup>3</sup> The Registry No will be a sequential number that consists of the relevant Folder No followed by four-digit numerals starting from “0001”.

<sup>4</sup> Remunerations and allowances paid to external trainers, consultants and mentors are included.

Primary source documents with sizes smaller than A4 should be stuck to paper background sheets. A paper background sheet is an A4 paper with fields for information about the transaction and the document stuck on it. The format of the sheet is shown in the figure below:



The figure shows a rectangular form for an A4 paper background sheet. At the top left, it says "A4 size". To the right, there are two lines for "Transaction Reference No:" and "Registry No:". In the center, there is a large dashed rectangular box with the text "Stick source documents in this field" written diagonally across it. At the bottom left, there are two fields: "Attachments:" followed by a line, and "Remark:" followed by a rectangular box.

Figure1: Format of the paper background sheet

In principle, one background sheet should be used for one source documents. However, a set of source documents associated with one transaction can be stuck together on one sheet if their sizes are small.

### 3. Annotate source documents

Annotating a source document means writing information deemed essential for processing the relevant accounting transaction on either its paper background sheet or the document itself. Annotating the original copy of a source document (those with the size of A4) must be made with a pencil only.

The following information will be written:

- Reference No of the transaction posted into the accounting software;
- Registry No;
- Title and serial No of attached documents if any; and
- Remarks

The Reference No of the transaction is the primary key (a sequential No) allocated to the transaction by the accounting software. It will be known at the time of posting the transaction into the software. The other information will be written when registering the document.

#### 4. File source documents

After completing the above steps, the accounting staff must file the source documents into the folders shown in Table5. At the end of an accounting period, the source documents of each folder will be bound and transferred to the chief accountant. The chief account should store the bound folders and transfer them to the SIBI's archive upon the completion of the next public audit on accounting.

#### **(6) Attachments**

Sample formats of the mandatory source documents

(End)

**Attachment: Sample formats of the mandatory source documents**

Form1

**Petty Cash Receipt**

**State Institution "Formation and Development of  
Entrepreneurship in Tajikistan"**

Division/Unit: \_\_\_\_\_  
Address: \_\_\_\_\_  
Tel: \_\_\_\_\_

No: CR- 

--	--	--	--	--	--	--	--	--	--

 Date: \_\_\_\_\_

Received amount: \_\_\_\_\_ somoni

Description: \_\_\_\_\_  
\_\_\_\_\_

Paid by:  
Organization (Division): \_\_\_\_\_  
Position: \_\_\_\_\_  
Name: \_\_\_\_\_  
Signature: \_\_\_\_\_

Documents attached: \_\_\_\_\_  
\_\_\_\_\_

Received by:  
Name: \_\_\_\_\_  
Position: \_\_\_\_\_  
Signature: \_\_\_\_\_

Form2

### Cash Voucher

**State Institution "Formation and Development of  
Entrepreneurship in Tajikistan"**

Division/Unit: \_\_\_\_\_

Address: \_\_\_\_\_

Tel: \_\_\_\_\_

No: CV- 

--	--	--	--	--	--	--	--	--	--

Date: \_\_\_\_\_

Disbursed amount: \_\_\_\_\_ somoni

Purpose of the  
disbursement: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Documents  
attached: \_\_\_\_\_  
\_\_\_\_\_

Requested by:  
Name of organization: \_\_\_\_\_  
Position: \_\_\_\_\_  
Name: \_\_\_\_\_

Verified by: \_\_\_\_\_ (Chief accountant)

Paid by: \_\_\_\_\_ (Cashier)

Received by: \_\_\_\_\_



**Cash Reconciliation Report**

Division/Unit: \_\_\_\_\_ Name of the cashier: \_\_\_\_\_

Date of reconciliation: \_\_\_\_\_

**Results:**

(1) Currency: \_\_\_\_\_

No	Coins and bills	Counts	Monetary value	Rate	Total value in somoni
	Total				

(2) Currency: \_\_\_\_\_

No	Coins and bills	Counts	Monetary value	Rate	Total value in somoni
	Total				

Counted total:

(1) Currency: \_\_\_\_\_

(2) Currency: \_\_\_\_\_

Balance in the cash book:

(1) Currency: \_\_\_\_\_

(2) Currency: \_\_\_\_\_

Remark: \_\_\_\_\_

\_\_\_\_\_

Reconciliation conducted by:

\_\_\_\_\_ (name / position)

\_\_\_\_\_ (name / position)

\_\_\_\_\_ (name / position)

Form5

## Payment Order

**State Institution "Formation and Development of  
Entrepreneurship in Tajikistan"**

Division/Unit: \_\_\_\_\_

Address: \_\_\_\_\_

Tel: \_\_\_\_\_

No: PO- 

--	--	--	--	--	--	--	--	--	--

Date: \_\_\_\_\_

Amount to be paid: \_\_\_\_\_ somoni

Description \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Payment method:  Cash       Bank transfer       Cheque

Documents attached: \_\_\_\_\_  
\_\_\_\_\_

Requested by:  
Name of organization: \_\_\_\_\_  
Position: \_\_\_\_\_  
Name: \_\_\_\_\_

Approved by: \_\_\_\_\_ (Director / Disivion head)

Verified by: \_\_\_\_\_ (Chief Accountant)

Prepared by: \_\_\_\_\_ (Accountant)





Form7

### Payment Receipt

**State Institution "Formation and Development of  
Entrepreneurship in Tajikistan"**

Tax payer ID: \_\_\_\_\_

Division/Unit: \_\_\_\_\_

Address: \_\_\_\_\_

Tel: \_\_\_\_\_

No: PR- 

--	--	--	--	--	--	--	--	--	--

Date: \_\_\_\_\_

**Name of Organization:** \_\_\_\_\_

Received amount: \_\_\_\_\_ somoni

Payment method:  Cash       Bank transfer       Cheque

Description: \_\_\_\_\_  
\_\_\_\_\_

Details:

No	Description	Price	Quantity	Unit	Amount (somoni)
	Net total				
	Tax				
	Gross total				

Documents attached: \_\_\_\_\_  
\_\_\_\_\_

Received by: \_\_\_\_\_ (name / position)

**Salary Slip**

Fiscal Year: \_\_\_\_\_

Division/Unit: \_\_\_\_\_

Month: \_\_\_\_\_

Position: \_\_\_\_\_

Name: \_\_\_\_\_

Personal ID: \_\_\_\_\_

Work days and hours: (1) Planned: \_\_\_\_\_ days \_\_\_\_\_ hours  
 (2) Actual: \_\_\_\_\_ days \_\_\_\_\_ hours  
 (3) Overtime: \_\_\_\_\_ hours

Salary:

Unit: Somoni

Nominal Salary	Monthly	
	Daily	
	Hourly	
Additions	Overtime payment	
	Total additions	
Total salary		
Deductions	Paid salary advance	
	Personal income tax	
	Social security contribution	
	Total deductions	
<b>Amount to be paid</b>		

Verified by: \_\_\_\_\_ (Chief accountant)

Estimated by: \_\_\_\_\_ (Accountant)

Paid by: \_\_\_\_\_ (Cashier)

Received by: \_\_\_\_\_ (Employee)





Division/Unit: \_\_\_\_\_

**Record of Receipt and Inspection of Purchased Goods**

Name of supplier: \_\_\_\_\_

Reference #: RRIPG-2020XXXX

Name of transporter: \_\_\_\_\_

Document of reference: \_\_\_\_\_

Date: \_\_\_\_\_

No	Goods	Specification	Unit Price (somon)	Unit of measurement	Quantity				Remark
					Ordered	Received	Accepted	Rejected	

Conclusions: \_\_\_\_\_

Decisions on missing and rejected items: \_\_\_\_\_

Received and inspected by:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (name / position)

Agreed by:  
Supplier representative: \_\_\_\_\_ (name / position)  
Transporter representative: \_\_\_\_\_ (name / position)

**Request for Consumable Materials**

**State Institution "Formation and Development of  
Entrepreneurship in Tajikistan"**

Division/Unit: \_\_\_\_\_

Address: \_\_\_\_\_

Tel: \_\_\_\_\_

No: RCM- \_\_\_\_\_

Date: \_\_\_\_\_

Purpose: \_\_\_\_\_  
 \_\_\_\_\_

Items requested:

No	Items	Quantity	Unit of measurement
1			
2			
3			

Requested by:

Division/Unit: \_\_\_\_\_

Position: \_\_\_\_\_

Name: \_\_\_\_\_

Approved by: \_\_\_\_\_ (Director / Division head)

Verified by: \_\_\_\_\_ (Chief accountant)

Items transferred:

No	Items	Price	Quantity	Unit	Amount (somon)
1					
2					
3					
	Total				

Transferred by: \_\_\_\_\_ (name / position)

Received by: \_\_\_\_\_

Form13

State Institution "Formation and Development of Entrepreneurship in Tajikistan"

Division/Unit: \_\_\_\_\_

**Inventory Record**

Account No: 1321-01

Fiscal year: 2020

Category: Office consumables

Beginning balance: Quantity: 10 Unit: pack

Item type: Copying paper

Item: Copying paper (A4)

Monetary value: 500 TS

No.	Date	Description	Document of reference	Unit Price (TS)	Quantity received	Released					Current Balance		Remark
						Quantity	Monetary Value (TS)	Name of the receipt	Position	Division/Unit	Quantity	Monetary Value (TS)	
1	2020/6/25	Purchase	RRIPG-xxx1	50	10						20	1000	
2	2020/6/28	Allocated to the admin unit	RCM-xxx1	50		5	250	Gantumur	Specialist	Admin	15	750	
3	2020/6/30	Purchase	CV-xxx1	55	10						25	1300	
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20													
21													
22													
23													
24													
25													
26													
27													
28													
29													
30													
					<b>Total</b>	20	5						

Ending balance: Quantity: 25 Unit: pack

Monetary value: 1300 TS





## **Annex 17.10 Guideline on Document Management**

## **Guideline on document management**

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# 1 General provisions

## 1.1 Objective

According to the “Standard Instruction on Document Management in Government Agencies, State Institutions, and Enterprises” approved by the Government of Tajikistan with its decree No358, SIBI should develop its guideline on document management that better adapts to the characteristics of the SIBI’s office work.

This guideline sets forth the basic principles of the document management in SIBI, the procedures for circulation of documents within SIBI (divisions/units), the responsibilities of staff, and the rules for classification, filing, storage, use and disposal of official documents.

## 1.2 Definitions of terms

The meanings of the terms used in this guideline are the following:

**Document:** Information or evidence in the form of text and graphics. Documents are classified into paper documents and digital data in terms of their physical state

**Paper document:** Either the original or a duplicate of a document printed on paper

**Digital data:** Either scanned/photo data (in PDF/ photo file formats) of paper documents or the original data in the file format of the application used for creating the document

**Electronic document (e-document):** Digital data of documents, certified with the digital signatures indicated in the “law on electronic documents”

**Document to be archived in paper:** A document with the storage period longer than ten years, which must be transferred to the state archive

**Documents to be archived only in digital data:** A document with the storage period up to ten years, which can be disposed of at SIBI’s discretion

**Case:** An obligation resulted from a document received or approved by SIBI. The term is also referred to as a set of documents related to the same issue, filed under the same category

**Storage unit:** A set of documents to be conserved in a paper folder for long-term storage

**SIBI’s archive:** The room or facility in the SIBI’s HQs, designated for storing documents

## 1.3 Basic principles

The following principles will apply to the document management in SIBI:

- (1) One copy of a paper document will be kept for a prescribed period of time. The paper document to be kept in SIBI must be original documents (unless the originals are lost or damaged);
- (2) All paper documents will be scanned before being filed into folders, and the scanned data will be shared with the relevant staff through an online document sharing platform (online storage);
- (3) Paper documents being stored in the SIBI’s archive will be used for reference purposes when complying with laws, state regulations and court decisions, or when scan data is not available on the online document sharing platform; and
- (4) When paper documents are disposed of or transferred to the state archive, it has to be made sure that they are scanned, saved in storage media (CDs, DVDs, and external HD) and kept in the SIBI’s archive.

## 2 Official Documents

### 2.1 Classification of documents

In SIBI, official documents are categorized into the eleven classes presented in the table below:

Table 1. Classification of documents in SIBI

No	Class	Contents
1	Management documents	This class includes documents and decisions issued by the SCISPM or other government agencies regarding SIBI's organizational structure and functions including its regional divisions/units; orders/decisions made by SIBI's director and the committees established within SIBI; and all types of SIBI's internal rules and regulations.
2	Official letters	All types of official letters and emails exchanged between SIBI and external organizations/individuals. Documents attached to the letters and emails are also included.
3	Personal files of employees	A personal file of an employee is a set of personal information indicated in the government regulation on personal documents of public servants. The typical documents are CV, autobiography, photos, criminal records, award history, copies of diplomas and educational certificates, copies of national ID cards or passports social security records, medical records, and other personal information related to the employee or his/her family.
4	Documents related to human resource, employee assistance, and labor union	All documents related to the use of human resources, human resource development, and labor unions are included in this class. Typical documents are lists of employees, salary matrix, TORs, labor contracts, plans and reports of staff training, minutes of meetings with the labor union, collective labor agreements, documents related to services and assistance provided to employees, etc.
5	Plans and reports	All types of operational plans and implementation reports of SIBI and its divisions/units, including TOTs and programs of training and incubation services provided to customer entrepreneurs/MSEs.
6	Financial information and accounting documents	This category includes the plans and documents about financing and accounting, including budget estimation, budget requests, and budget utilization reports. Financial statements and accounting source documents are also included.
7	Documents related to assets and supplies	Information and documents about the acquisition, utilization, renovation, and maintenance of fixed assets/properties (land, buildings, facilities, vehicles, and equipment) owned by SIBI. Information on the procurement of supplies is included in this class. Typical documents are lists of assets, ledgers of fixed assets, procurement documents, contracts on maintenance and renovation, maintenance records, re-evaluation reports, certificates, design drawings, maps, etc.
8	Documents related to customer entrepreneurs and MSEs	All documents created or collected in relation to the provision of training and incubation services (copies of personal documents of entrepreneurs, filled questionnaire, business plans, financial information, contracts, etc.)
9	Documents related to technical and financial partners	This class includes all documents related to technical and financial partners, i.e. external trainers, consultants, mentors and financial institutions (copies of IDs/diplomas/certificates, personal profiles/CVs, filled questionnaire, contracts, etc.)
10	Documents related to the projects supported by donor organizations	This class includes all documents related to the projects supported by donor organizations (exchanged letters/emails, contracts, agreements, protocols, plans and reports on project activities, etc.)
11	Other documents	All other documents that cannot be classified into the above classes

## 2.2 Case Nomenclature

All documents created and collected by SIBI while implementing its activities will be compiled into cases indicated in the SIBI's Case Nomenclature (draft) presented in “6.1 Appendix-1. Case nomenclature” of this guideline.

The administration unit of the headquarters will review the SIBI's Case Nomenclature and update it in consultation with the Central Archive Agency when necessary. After obtaining the consent of the Central Archive Agency, the updated version will be submitted to the management and used in the document management of SIBI upon its approval.

## 2.3 Document flow

The flow of documents within SIBI is shown in Figure 1.

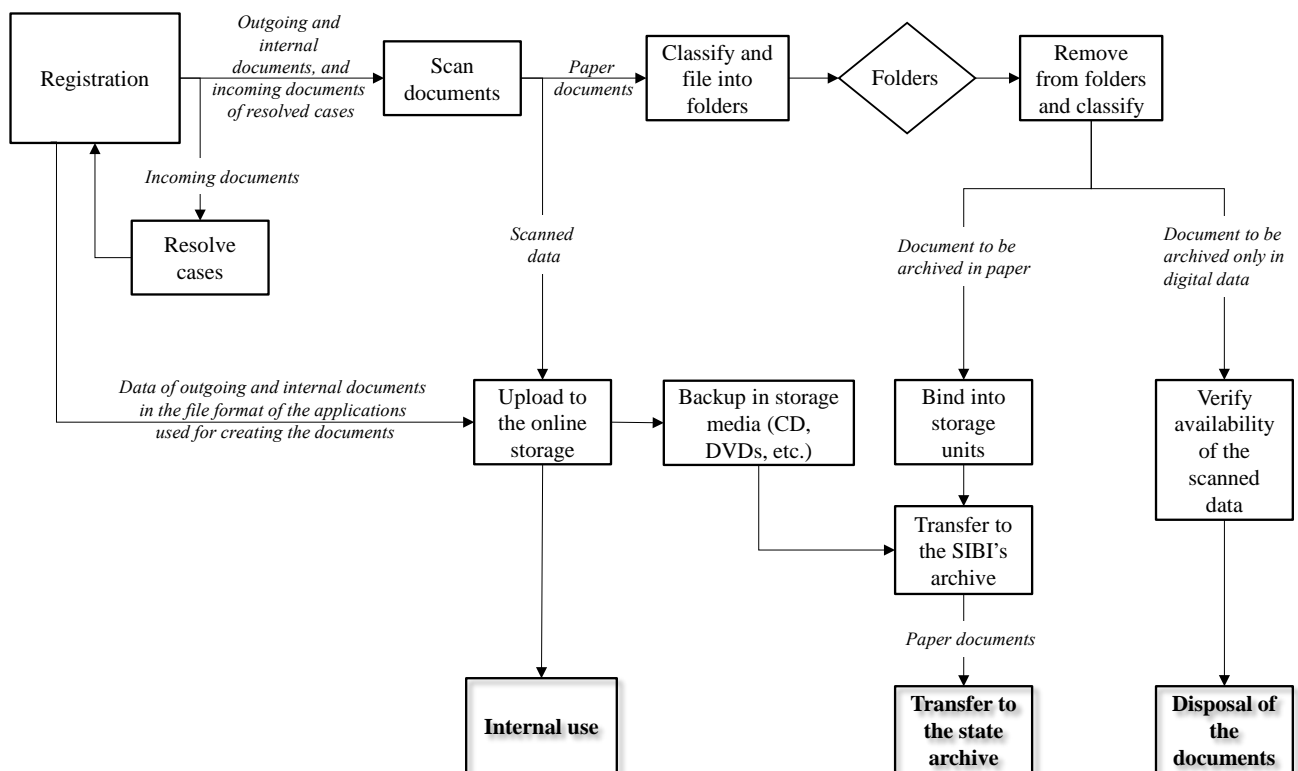


Figure 1. Document flow within SIBI

Detailed information about the steps is explained in “3 Document management processes.”

## 3 Document management processes

The document management processes are **(1) registration, (2) filing, (3) storage of documents, (4) disposal of unnecessary documents, and (5) use of documents within SIBI.**

The details of each process are the following:

### 3.1 Registration

The following journals will be used in SIBI for registering documents: (1) Journal of incoming documents, (2) Journal of outgoing documents, and (3) Journal of internal documents. The formats of

the journals are shown in “(1)” to “(3)” of “6.3 Appendix-3. Formats to be used in document management.”

An incoming document is registered upon its receipt at the SIBI, while an outgoing document and an internal document are registered upon its approval/validation by the SIBI director or the heads of regional divisions/units.

All documents to be registered must be hard copies stamped with SIBI’s registration stamp on the bottom right of the 1<sup>st</sup> page. The official name of SIBI (for documents to be registered in the HQs) or the regional division/unit, and the fields for the document ID and date of registration must be inscribed on the registration stamp. The document ID is the combination of the division/unit’s code (see the table below), the journal index,<sup>1</sup> the year in two digits and the serial number of the document on the journal presented in four digits (example: “1-1-20-0001” for the 1<sup>st</sup> document received at the HQs in 2020).

The following codes will be allocated to the SIBI’s divisions/units:

Table 2. Codes of the divisions/units

Code	Structural units
1	Headquarters of SIBI
2	Dushanbe division
3	DRS division
4	Sugd division
5	Hatlon division
6	Kulyab unit
7	GBAO unit

Within SIBI, the staff in charge of document management must register documents (the task can be delegated to his/her subordinate). The staff in charge of document management in SIBI are the following:

- In the HQs: Senior specialist of Administration unit
- In the regional divisions/units: Senior specialists of finance and administration

Emails and electronic documents received through the SIBI’s official email account will be once printed in hard copy, and the printed version will be registered. Important emails received through SIBI staff’s private accounts must be forwarded to the staff in charge of document management for registration.

The following documents need not to be registered:

- Received documents and letters not addressed to SIBI;
- Personal letters addressed to SIBI staff;
- Confidential letters;
- Agendas and schedules of seminars, conferences, symposiums, and events;
- Posters, flyers and other advertising materials;
- Greetings and congratulatory letters and invitations;
- Printed books, booklets, magazines, newspapers, and newsletters that are delivered as references;
- Compiled statistical data and surveys; and

---

<sup>1</sup> Journal index: “1” for the journal of incoming documents, “2” for the journal of outgoing documents, and “3” for the journal of internal documents.

- Accounting source documents (since they are separately registered for accounting purposes)

### 3.2 Filing

After resolving the case resulted from the document, the SIBI staff in charge of the case must return the document to the staff in charge of document management. Documents related to ongoing cases must be kept by the respective staff until the cases are resolved.

The staff in charge of document management classifies the documents into cases and files them in folders following the instructions explained in “6.1 Appendix-1. Case nomenclature.” Each folder must be labeled with the following information: titles of the relevant class and document group, case index, case name, Volume No., and the storage period of the case. The case index is the combination of the index of the document group, the code of the divisions/units, and the code number allocated to the case within the group. An example of a filled label is shown in the table below:

Table: Format of the folder label

CLASS	<b><i>Management document</i></b>
GROUP:	<b><i>Orders and decisions made by the director</i></b>
CASE NAME:	<b><i>Orders related to human resource and personnel affairs</i></b>
VOLUME NO.:	<b><i>Volume-1</i></b>
CASE INDEX:	<b><i>A2-1-0033</i></b>
STORAGE PERIOD:	<b><i>Permanent</i></b>

A list of created folders will be prepared and kept with the journals for registering documents. The following information will be included in the list: document class, document group, case name, Volume No.

The following rules will be followed when filing documents in folders:

- Only original documents must be filed. Copies are allowed when received documents were duplicate copies, or the original documents were destroyed or lost;
- Sections in a folder should be separated with folder divider. Titles of the sections must be written on the tabs of the folder dividers;
- Documents in each section must be arranged by types, and in principle, placed in chronological order in each of the types;
- If all documents of a single document group are filed in one folder, the case name on the folder label will be the same as the title of the document group; and
- All attachments of a document should be filed together with the document.

### 3.3 Storage of documents

Principally at the beginning of every year, the staff in charge of document management will divide the folders filed throughout the previous year into the following two categories:

- (a) Documents to be stored in digital data (folders with the storage periods on their label up to 10 years); and
- (b) Documents to be stored in paper (folders with the storage periods on their label longer than ten years).

(a) will be disposed of after making sure that they were scanned and the scanned data were saved in storage media (CDs, DVDs, and external HDs), as well as in online storage (see “3.4 Disposal of



documents” below). Instead of the paper versions of this category, the storage media will be stored in the SIBI’s archive for the periods indicated in the Case Nomenclature.

(b) will be removed from their folders, bound to storage units, transferred to the SIBI’s archive temporarily, and transferred to the state archive whenever convenient. Before transferring to the state archive, the staff in charge of document management must verify that the documents are scanned and the scanned data are saved in storage media (CDs, DVDs, etc.) as well as in the online storage. The storage media will be kept in the SIBI’s archive.

The technical requirements for storage units are the following:

- (1) A storage unit should contain approximately 250 sheets. Documents that belong to different classes (see “6.1 Appendix-1. Case nomenclature”) or documents with different storage periods must not be included in one storage unit. Books and permanently bound materials are considered as an independent storage unit.
- (2) All storage units must be labeled on their front cover. The label includes the following information: the fiscal year, the full name of SIBI, the full name of the divisions/units, storage unit No., main title, sub-title, covered period (dates on the earliest and latest documents), number of sheets, storage period, and the name of the state archive, which accepts the SIBI’s documents.
- (3) The main title of storage units will be the class name, while the sub-title will be the group name, as indicated in the Case Nomenclature. If a storage unit includes documents of different groups, the name of each group will be recorded in the sub-title.
- (4) All staples and clips must be removed from documents before binding them into a storage unit.
- (5) Storage units must be hard-covered with paperboard, with all sheets numbered at their upper right corner, and a list of the documents and a compilation notes attached (See “(4)” and “(5)” of “6.3 Appendix-3. Formats to be used in document management”). The document list should be placed before the 1st page of the storage unit and the compilation note at the end.
- (6) A storage unit must be bound with lace on its left margin. As contents, dates, annotations made, signatures and stamps of the documents must be visible after binding, materials with small size can be rotated when making punch-holes.

All prepared storage units must be recorded in the Inventory of Stored Documents (see “(6)” of “6.3 Appendix-3. Formats to be used in document management”). The storage units of all the divisions/units must be transferred to SIBI’s archive within the 1<sup>st</sup> quarter each year.

The staff in charge of document management in the HQs will identify the storage units to be transferred to the state archive and submits the corresponding Inventories of Stored Documents to the management.

Upon the approval by the management, the staff in charge of document management will initiate the processes of transferring the documents to the state archive. The modality of the process must be consulted beforehand with the relevant branch office of the Central Archive Agency.

### **3.4 Disposal of documents**

The documents of the folders labelled with the storage period up to ten years will be disposed of any time after the management approves the disposal. The staff in charge of document management will prepare the list of these folders and submit it to the management for approval on their disposal.

Upon the approval from the management, the staff in charge of document management will dispose of the documents by shredding or incinerating them. If the documents are to be disposed of outside the SIBI’s premises, the staff in charge of document management will monitor the whole disposal processes from transporting the documents until shredding/incineration completes.

Before the disposal, the staff in charge of document management must verify that the documents are

scanned and the scanned data are saved in storage media (CDs, DVDs, etc.) as well as in the online storage. The storage media will be kept in SIBI's archive for the periods indicated in the Case Nomenclature.<sup>2</sup>

The documents that are not registered or drafts and copies printed for reference or discussion purposes must be disposed of by the relevant staff themselves.

### **3.5 Use of documents**

Scanned files will be shared among the relevant SIBI staff using the online storage.

The structure and functions of the platform must be customized for SIBI. The platform should allow users to have private storage on a cloud server and to access the public folder placed on the SIBI's server. Files uploaded to the public folder will be accessible for SIBI staff to the extent set with their access rights. The platform must have a file-sharing function that allows SIBI staff to share with other staff files or folders in their storage.

The staff in charge of document management will upload the scanned data of registered documents to the public folder following the rules below:

- (1) Scanned data of approved final documents will be uploaded;
- (2) Scanned data of paper documents except photo must be converted into PDF format before uploading;
- (3) Each document with its attachment must principally form one PDF file;
- (4) Scanned data of outgoing and internal documents must be uploaded together with the original data in the file formats of the applications used for creating those documents; and
- (5) Audio, video, and photo files are uploaded in the formats they are received or created.

Drafts of plans, reports, and other internal documents that need inputs from others will be shared directly by the staff working on these documents.

The public folder will be organized into the following three-level structure.

- (1) Document classes: Each document class of the Case Nomenclature will have its folder under the main folder. The folder names will be shortened versions of the respective classes in the Case Nomenclature, preceded by their index letter.
- (2) Structural units: In each of the class folders, a sub-folder will be created for the SIBI's HQs and each of the regional divisions/units.
- (3) Document groups: In each of the division/units' folders, document folders will be created for each document group of the Case Nomenclature. The names of these folders will be the shortened versions of the respective document groups in the Case Nomenclature preceded by the indices of the document groups.

Documents relevant to all the divisions/units will be saved directly under the class folders outside the sub-folders of the divisions/units, while the documents relevant to all staff of a single division/unit will be placed directly under the sub-folder of that division/unit. Documents relevant to multiple divisions/units will be primarily put in the document folder of a division/unit and then the staff in charge of document management will set access rights to other users.

File names must be the combination of the document name (as registered in the journal), the document ID, and the registered date (in the format "ddmmyyyy"), connected with underbars ("\_").

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<sup>2</sup> If all scanned data is saved in one medium, the medium must be kept in SIBI for 10 years.

## 4 Responsibilities of staff

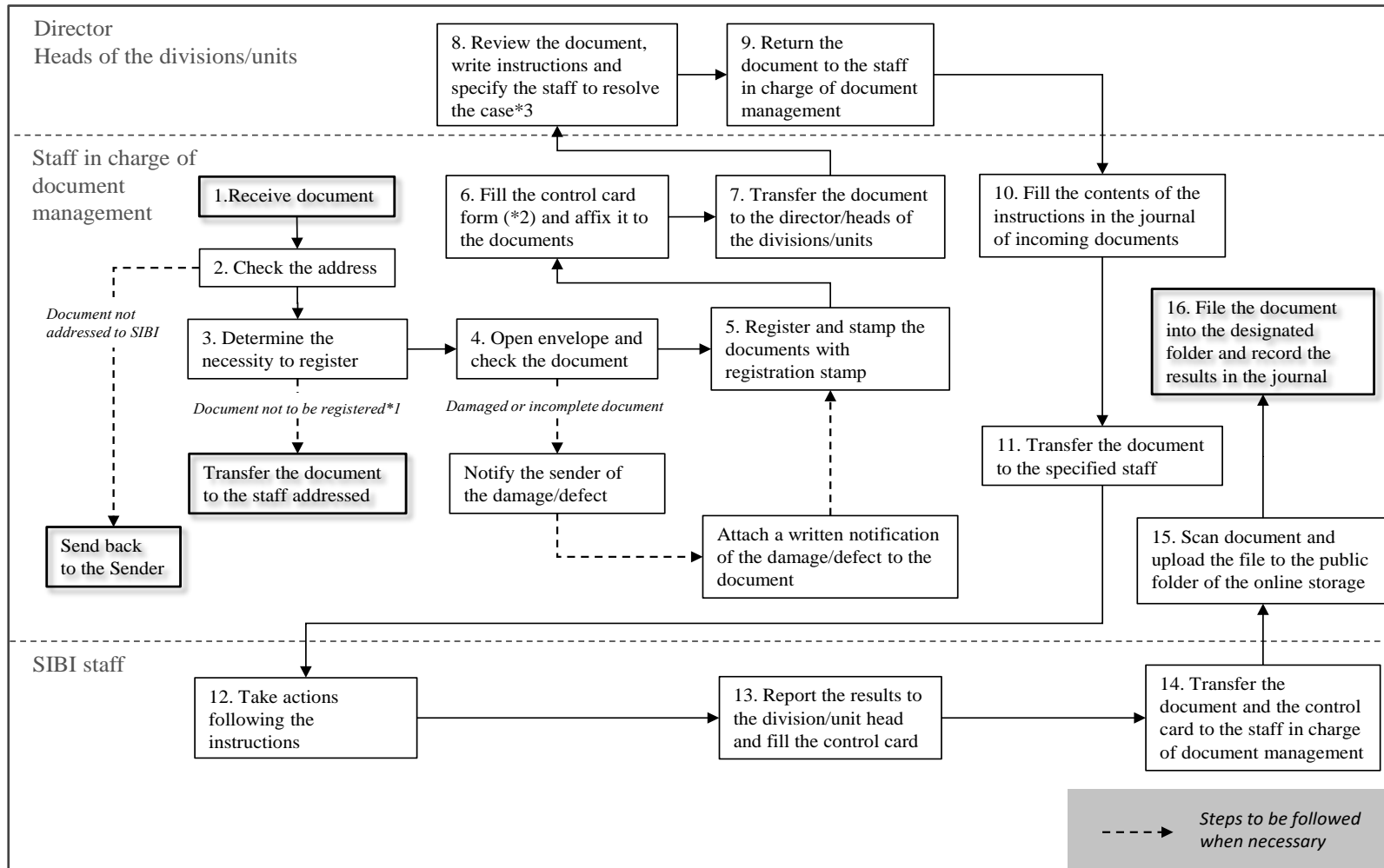
The following table shows the staff's responsibilities related to document management:

Table 3. Responsibilities of staff

	Staff	Responsibilities
1	Director and heads of the regional divisions/units	<ul style="list-style-type: none"><li>• Review documents and allocate tasks to the divisions/units or staff;</li><li>• Provide instructions to the divisions/units/staff;</li><li>• Approve and validate documents (signing and stamping); and</li><li>• Make decisions on the document management in SIBI.</li></ul>
2	Heads of divisions/units	<ul style="list-style-type: none"><li>• Allocate tasks and monitor progress of cases being resolved; and</li><li>• Review drafts of management documents, and provide comments, instructions, and endorsements.</li></ul>
3	Staff in charge of document management	<ul style="list-style-type: none"><li>• Receive official documents, register and transfer the documents to the divisions/units/staff/addressees;</li><li>• Check the outgoing documents' compliance with the state standard and the government instructions;</li><li>• Control the progress of cases to be resolved and facilitate overdue cases;</li><li>• Classify and file documents following the method explained in the Case Nomenclature;</li><li>• Scan documents and upload the scanned data to the public folder of the online storage;</li><li>• Prepare storage units from documents of resolved cases and transfer them to the SIBI's and state archive;</li><li>• Maintain the public folder of the online storage; and</li><li>• Provide technical guidance on document management to all staff.</li></ul>
4	All staff	<ul style="list-style-type: none"><li>• Resolve cases and report the results to their supervisors/heads of divisions/units; and</li><li>• Transfer documents of resolved cases to the staff in charge of document management.</li></ul>

## 5 Procedures for circulation of documents

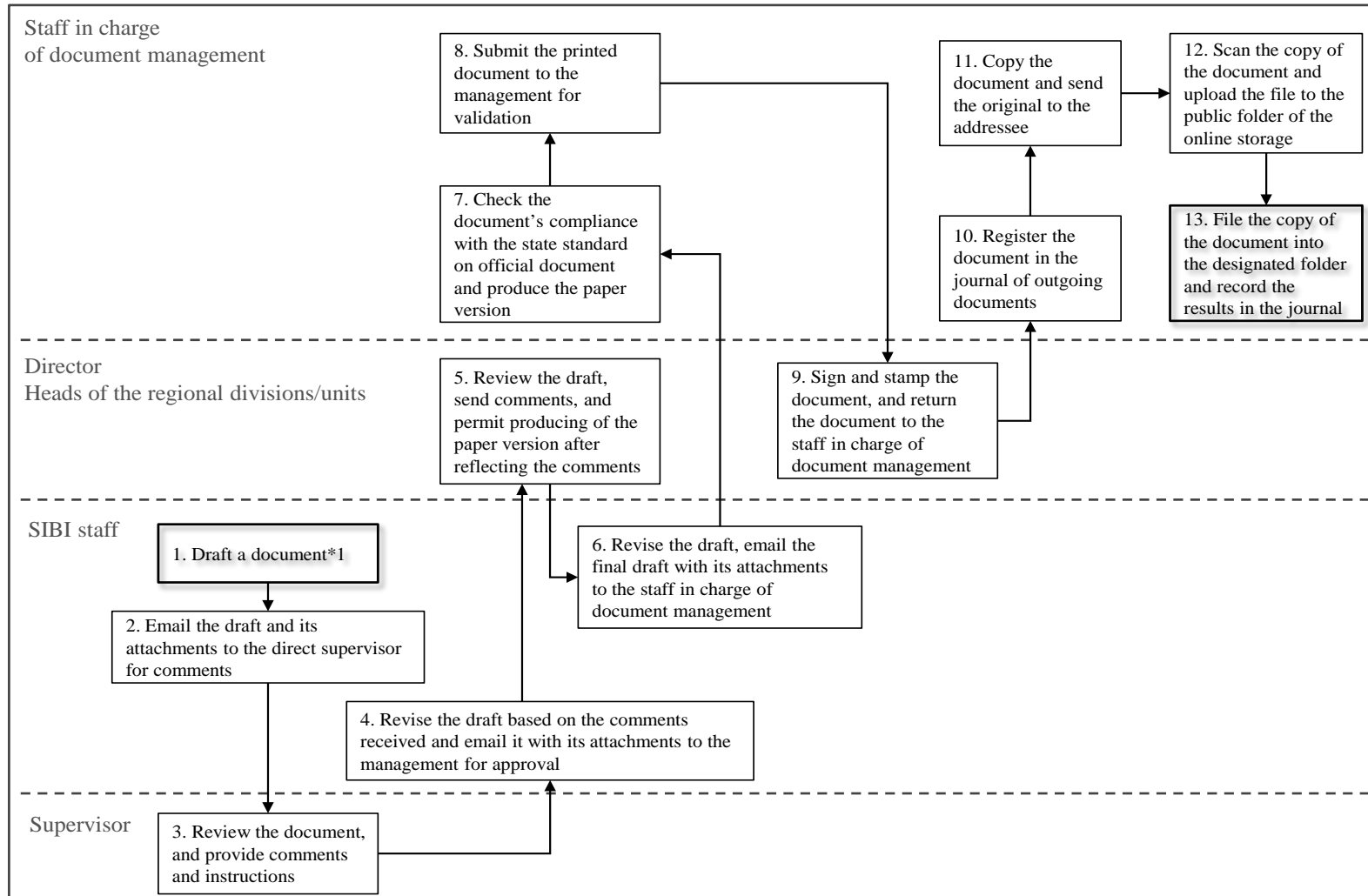
### 5.1 Procedures for circulation of incoming documents



Note: \*1: See “3.1 Registration” for the list of documents that are not registered; \*2: The form to be filled for documents that require responses from SIBI. Based on the filled control card, the progress of resolving cases and the implementation of the obligations resulted from the document will be examined. Two copies are prepared; one is kept at the staff in charge of document management, and the other is affixed to the document (See “(7)” of “6.3 Appendix-3. Formats to be used in document management” for the format).; \*3: Instructions for the document without a control card affixed will be hand-written on any blank space on the first page of the document.

Figure 2. Procedures for circulation of incoming documents

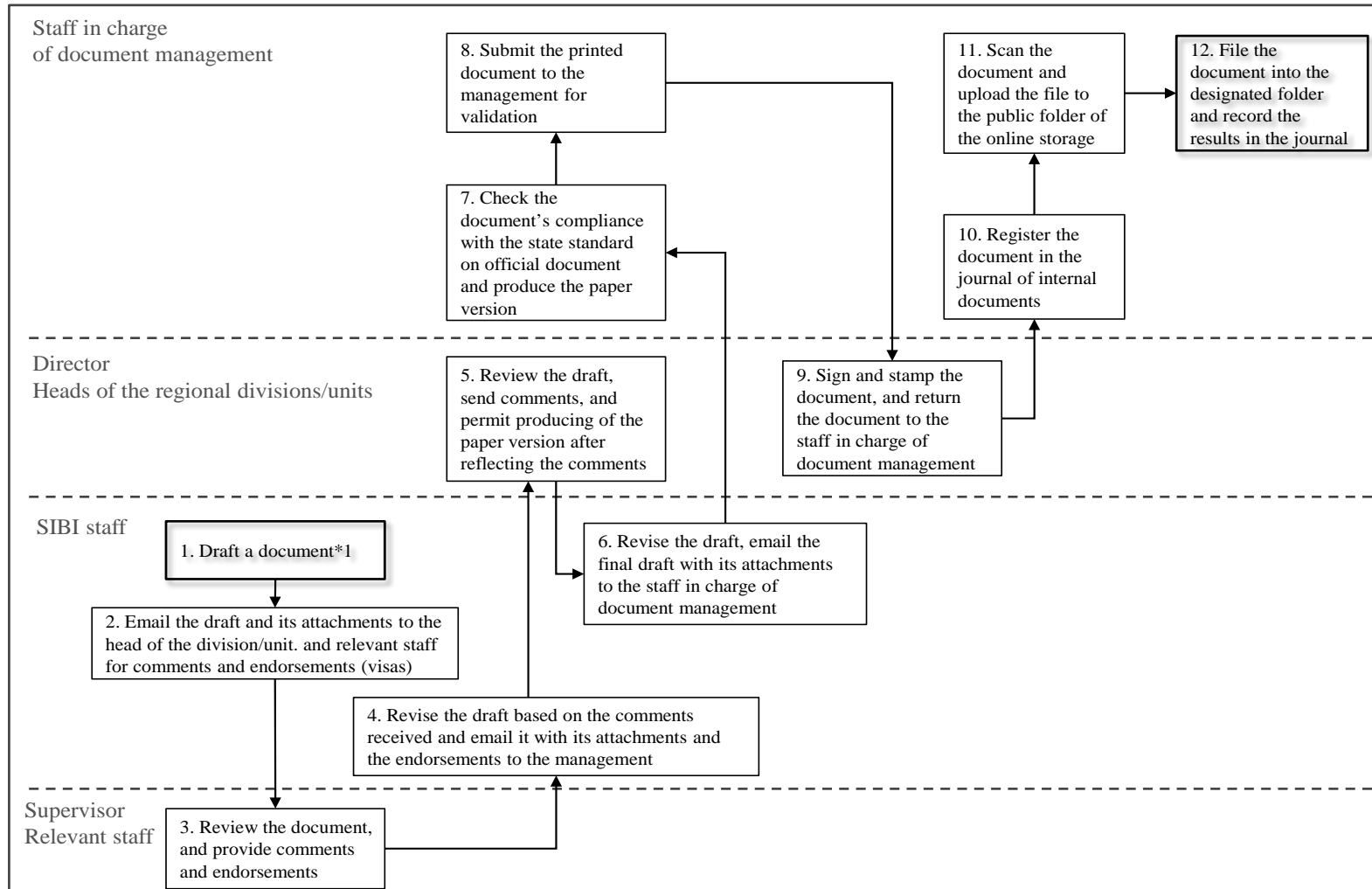
## 5.2 Procedures for circulation of outgoing documents



Note: \*1: The requirements for management documents are presented in "6.2 Appendix-2. General requirements for management documents."

Figure 3. Procedures for circulation of outgoing documents

### 5.3 Procedures for circulation of internal documents



Note: \*1: The requirements for management documents are presented in “6.2 Appendix-2. General requirements for management documents.”

Figure 4. Procedures for circulation of internal documents

## 6 Appendices

### 6.1 Appendix-1. Case nomenclature (draft)

	Class	Document group		Case code	Description / method of filing	Storage period	Person in charge	
		Index	Title				HQs	Regional division/units
A	Management document	A-1	Charter and Provisions	0077	<b>Charter and the Provisions of SIBI will compose one case.</b>	Permanent	Senior specialist of administrative unit	Specialist for finance and administrative tasks
		A-2	Orders and decisions made by SIBI director	0033	<b>All orders and decisions made by SIBI director will be filed into one case with the following sections:</b> (1) Orders and decisions related to human resource and personnel affairs and (2) Other orders and decisions. Attachments or documents approved with orders should be attached in the respective orders.	Permanent	Senior specialist of administrative unit	Specialist for finance and administrative tasks
		A-3	Minutes of meetings	0027	<b>All minutes are filed in one case with the following sections:</b> (1) Management meetings, (2) Meetings with government agencies and state institutions, (3) Meetings with donor organizations, (4) Meetings with other external bodies, and (5) Staff meetings.	Permanent	Senior specialist of administrative unit	Specialist for finance and administrative tasks
		A-4	Decisions made by committees established within SIBI and its regional divisions/units	0026	<b>Each committee</b> established within SIBI or its regional divisions/units has its own case. All minutes of committee meetings and decisions will be filed in their respective cases.	Permanent	Senior specialist of administrative unit	Specialist for finance and administrative tasks
		A-5	Internal rules and regulations	1062	<b>All documents will be filed in one case.</b> The sections to be created within the case are (1) Internal regulations, guidelines, and rules, (2) Manuals and handbooks (3) SOPs, (4) Technical guidance/instructions, and (5) Other regulating documents	5 years after termination or amendment	Senior specialist of administrative unit	Specialist for finance and administrative tasks
		A-6	Reports of inspections conducted by state authorities	67-a	<b>Each type of public inspections</b> will have its own case with all types of documents related to the inspection. Sections in the case will be decided based on the types of the documents.	Permanent	Senior specialist of administrative unit	Specialist for finance and administrative tasks
B	Official letters	B-1	Incoming official letters, emails, and faxes	0066	<b>All incoming official letters, emails, and faxes with their attachments form one case.</b> Replies and responses by SIBI must be placed together with the respective letters/emails/faxes in chronological order.	5 years	Senior specialist of administrative unit	Specialist for finance and administrative tasks
		B-2	Outgoing official letters, emails, and faxes	0066	<b>All outgoing official letters, emails, and faxes with their attachments form one case.</b> Replies to the outgoing letters/emails/faxes must be filed together with the respective letters/emails/faxes sent by SIBI in chronological order.	5 years	Senior specialist of administrative unit	Specialist for finance and administrative tasks

C	Personal files of employees	C-1	Personal files of employees	0518	<b>All personal files are included in one case. One section will be created for an employee</b> with the following set of documents: (1) Curriculum Vitae, (2) Autobiography and photos (3) Copies of diploma and educational certificates, (4) Copy of national IDs or passports, (5) Copies of labor books, social security records and medical records, and (6) Other personal information related to the employee or his/her family.	75 years	Senior specialist of HR and legal unit	Leading specialist for general issues, HR, legal issues and start-ups
D	Documents related to human resource, employee assistance, and labor union	D-1	Labor organization and use of labor resources	0425 0390 0376	<b>Three cases will be opened for this group:</b> Case-0425: List of employees and Salary matrix; Case-0390: Performance evaluation reports; and Case-0376: Labor contracts	[0425]: 25 years [0390]: Permanent [0376]: 3 years after expiration	Senior specialist of HR and legal unit	Leading specialist for general issues, HR, legal issues and start-ups
		D-2	Human resource development	0587 0652 0567	<b>Documents of this group will be divided into three cases:</b> Case-0587: Human resource development programs/plans; Case-0652: Capacity assessment; and Case-0567: Plans and reports of staff training	[0587]: 1 year [0652]: 15 years [0567]: Permanent	Senior specialist of HR and legal unit	Leading specialist for general issues, HR, legal issues and start-ups
		D-3	Labor union	1221 0403	<b>Two cases will be opened for this group</b> with the following sections: Case-1221: Minutes of meetings with labor unions, and Case-0403 Collective labor agreements and other labor union-related documents	[1221]: 5 years [0403]: Permanent	Senior specialist of HR and legal unit	Leading specialist for general issues, HR, legal issues and start-ups
		D-4	Services and assistance provided to employees	0435	<b>All documents related to services and assistance provided to employees are included in one case.</b> The documents will be classified by each service/assistance within the case.	10 years	Senior specialist of HR and legal unit	Leading specialist for general issues, HR, legal issues and start-ups
E	Plans and reports	E-1	Plans and reports of SIBI's activities	190-a 180-a	<b>Two cases will be opened for this group:</b> Case-190-a for all types of plans for the business operations of SIBI and its divisions/units and Case-180-a for reports. The plans in the former will be compiled by types of plans (Strategic, Business, Annual, and Action plans) while the latter by the periods covered by the reports (Annual, quarterly, and monthly reports).	[190-a]: Permanent [180-a]: Permanent	Senior specialist of marketing and business plan development unit	Senior specialist on business plan development and marketing
		E-2	Plans and reports of conducted training and incubation services	0558	All documents related to the planning and implementation of TOTs, and training and incubation services provided to entrepreneurs/MSEs are included in this group. <b>Documents related to the same training/incubation services are compiled as a set and filed in one case.</b> Each case will be named with the title of the training/service.	5 years	Senior specialist of marketing and business plan development unit	Senior specialist on business plan development and marketing
		E-3	Plans and reports of other services provided to customer entrepreneurs and MSEs	To be coded upon generation	<b>Plans and reports of all other services provided to entrepreneurs/MSEs are managed in one case.</b> Within the folder, documents will be divided into sections by the types of the provided services.	__ years	Senior specialist of marketing and business plan development unit	Senior specialist on business plan development and marketing



		E-4	Statistical Reports	332-b	<b>One Case will be opened for all types of statistical reports and tables.</b> It will include statistical tables and reports on key activities of SIBI.	Permanent	Senior specialist of marketing and business plan development unit	Senior specialist on business plan development and marketing
F	Financial information and accounting documents	F-1	Budget plans, budget requests, and budget utilization reports	267-a 258-a	<b>Documents of this group will be filed in two cases.</b> Case-267-a: Budget plans and request, and Case-258-a: Budget utilization reports	[267-a]: Permanent [258-a]: Permanent	Chief accountant	Specialist for finance and administrative tasks
		F-2	Financial statements and reports, and reports of financial audits	0343	<b>One case will be opened for this group.</b> The sections in the case are (1) Financial statements, (2) Financial reports submitted to state organizations, (3) Tax return, (4) Declaration of social security contributions, and (5) Reports of financial audits	Permanent	Chief accountant	Specialist for finance and administrative tasks
		F-3	Accounting books and source documents	0356 0357 0350	<b>Three cases will be opened:</b> Case-0356: General journal and general ledger Case-0357: Auxiliary journals/ledgers; and Case-0350: Source documents (The sections in this case will be the same as the classification of accounting source documents indicated in the Guideline for Preparation and Processing of Accounting Source Documents).	[0356]: 3 years after completion of all inspections [0357]: 3 years after completion of all inspections [0350]: 3 years after completion of all inspections	Chief accountant Head of admin. unit Senior specialist of admin. unit	Specialist for finance and administrative tasks
		F-4	Other financial and accounting documents	To be coded upon generation	<b>One case will be opened.</b> The sections will be created based on the types of documents included in the case.	___ years	Chief accountant Head of admin. unit Senior specialist of admin. unit	Specialist for finance and administrative tasks
G	Documents related to assets and supplies	G-1	Documents of fixed assets	0368 0369 0370	<b>Documents of this group will be divided into three cases:</b> Case-0368 for land, Case-0369 for buildings and facilities, and Case-0370 for equipment and vehicles. In each case, documents related to a specific asset/property will be compiled as a set and form an independent section. The set of documents includes asset ledger, map/drawing, certificate, re-evaluation report, maintenance records, contracts of maintenance and renovation, acts on disposal/transfer of the asset/property, etc.	[0368]: Permanent [0369]: Permanent [0370]: 3 years after equipment and vehicles are disposed of	Chief accountant Head of admin. unit Senior specialist of admin. unit	Specialist for finance and administrative tasks
		G-2	Documents of procurements of supplies	1005 1011	<b>Documents related to public procurement are included in this group.</b> All documents will be divided into two cases. Within the cases, documents will be compiled by each procurement. Case-1005: Contracts with the suppliers Case-1011: Procurement plans, technical specifications, tender documents, and procurement reports.	[1005]: 3 years after completion of contract [1011]: 3 years	Chief accountant Head of admin. unit Senior specialist of admin. unit	Specialist for finance and administrative tasks

H	Documents related to customer entrepreneurs and MSEs	H-1	Documents related to customer entrepreneurs and their businesses	519-b	<b>Documents produced for or collected from customer entrepreneurs/MSEs during the provision of SIBI's services are filed in one case</b> , with sections created by customers. Typical documents are copies of IDs or personal documents, filled questionnaires, business plans, financial information, contracts, minutes of meetings, etc.	3 years after completion of contract	Senior specialist of marketing and business plan development unit	Senior specialist on business plan development and marketing
I	Documents related to technical and financial partners	I-1	Documents related to technical and financial partners	To be coded upon generation	<b>Documents of this group will be divided into two cases:</b> One for technical partners (external trainers, consultants, and mentors) and the other for financial institutions collaborated with SIBI in provision of training and services to entrepreneurs/MSEs. In each case, documents will be compiled by partners. The typical documents are copies of IDs/diplomas/certificates, personal profiles or CVs, filled questionnaires, contracts, etc.	___years	Senior specialist of marketing and business plan development unit	Senior specialist on business plan development and marketing
J	Documents related to donor projects and collaboration with foreign organizations	J-1	Documents related to donor projects and collaboration with foreign organizations	0970	<b>Documents of each project/collaboration will have its own case.</b> Each case will be organized into the following sections: (1) Exchanged letters/emails/faxes, (2) Agreements, contracts, and MOUs, (3) Minutes of meetings, (4) Project plans and proposals, (5) Progress reports and project completion reports, and (6) Official documents prepared and provided by SIBI.	Permanent	Senior specialist of marketing and business plan development unit	Senior specialist on business plan development and marketing
K	Other documents	K-1	All other documents that are not included in the above groups		<b>One case will be opened for all the documents of this group</b> , organized by types of documents included in the case.	To be decided	Senior specialist of administrative unit	Specialist for finance and administrative tasks

## 6.2 Appendix-2. General requirements for management documents

The management documents should be drawn up in line with the requirements indicated in the state standard on official documents and the Standard Instructions on Document Management in Government Agencies, State Institutions and Enterprises (Decree No.358).

Orders made by the SIBI director and the heads of the regional divisions/units must be printed on order-heads, official letters and minutes of meetings of the committees established within SIBI must be printed on letterheads, and other management documents will be printed on A4-sized plain paper in the formats/templates specified in the state standard on official documents. The order-heads and the letterheads of SIBI and the regional divisions/units must be designed and printed in compliance with the state standard No.XXX.

The following common elements must be indicated on documents in the manners instructed in the above standard and the instructions:

- (a) Name of SIBI or divisions/units
- (b) Address
- (c) Type of the document in capital letters (for documents other than official letters; examples: “ORDER,” “PROTOCOL,” “ACT,” “REQUEST,” etc.)
- (d) Document No.
- (e) Date
- (f) Name of the addressee (for outgoing documents)
- (g) Title or subject of the document
- (h) Signatures and stamps

The following attributes must be applied to the main body of the management documents:

Font name	Times New Roman
Font size	12 (14 for letters addressed to the Government of Tajikistan, government agencies and state institutions)
Font type	Regular
Page numbering	Pages of documents with two or more pages must be numbered
Margins	2.5 cm from the left; 1.5 cm from the right, 1.5 cm from the top, and 4 cm (for A4 size) and 1 cm (for A5 size) from the bottom
Line spacing	1 to 1.5 lines







(4) **List of filed documents (storage unit)**

<b>List of filed documents</b>								State Institution "Formation and Development of Entrepreneurship in TJ"	
Year: _____								Divisions/units: (1) Name: _____	
Storage unit No. _____ Storage period: _____ years (until _____)								(2) Code: _____	
No	Case index	Case Name	Volume No.	Document ID	Description of documents	Num of attachments	Page No.		Remark
							First	Last	

(5) **Compilation notes**

<b>Compilation Notes</b>	
Number of cases included	_____ cases
Number of sheets of the storage unit	_____ pages
Page numbers of damaged documents	(1) ____, (2) ____, (3) ____, (4) ____, (5) ____, (6) ____, (7) ____, (8) ____, (9) ____, (10) ____, (11) ____
Skipped page numbers	(1) ____, (2) ____, (3) ____, (4) ____
Duplicated page numbers	(1) ____, (2) ____, (3) ____, (4) ____
Filled by: _____ (name) Date: _____	

(6) **Inventory of stored documents**





(7) Control card

**CONTROL CARD No.:** \_\_\_\_\_

Document No.: \_\_\_\_\_ Date of issue: \_\_\_\_\_

Title:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Description:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Transferred to: \_\_\_\_\_  
(Name of staff)

Division/Unit: \_\_\_\_\_

Date transferred: \_\_\_\_\_

Instructions by management:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Deadline: \_\_\_\_\_

Performance notes:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_

Removed from control on \_\_\_\_\_ (Date)  
\_\_\_\_\_ (Signature)

## **Annex 18 List of Provided Equipment**

**List of Provided Equipment**

**Business Incubation Project in Tajikistan**

Equipment	Quantity	Price of equipment			Date of acquisition
		Price	Currency	Price in Japanese Yen	
PC	1	9,400	TJS	98,226	05/05/2020
Network Server	1	65,000	TJS	666,890	12/08/2020
Manual door	1	18,850	TJS	193,156	21/08/2020
Blind curtain	1	30,065	TJS	308,076	21/08/2020
PC	1	26,200	TJS	268,471	23/08/2020
PC	1	8,800	TJS	81,390	11/12/2020
Cultivator	3	5,560	TJS	53,628	20/05/2021
Laptop PC	1	5,800	TJS	55,943	23/05/2021
Food stand mixer	1	6,000	TJS	57,872	22/05/2021
Oven	1	11,000	TJS	106,098	22/05/2021
Compressor	1	8,000	TJS	77,162	20/05/2021
Water storage tank	1	5,600	TJS	54,013	22/05/2021
Water compressor	1	6,000	TJS	58,669	26/07/2021
Laptop PC	1	5,500	TJS	53,780	28/07/2021
Cultivator	1	11,250	TJS	109,431	29/09/2021
Refrigerator	1	5,800	TJS	56,418	29/09/2021
Refrigerator	1	5,600	TJS	57,117	17/11/2021
Refrigerator	1	5,600	TJS	57,117	18/11/2021
Mixer	1	11,000	TJS	112,195	20/11/2021
Tiller	1	5,700	TJS	58,137	20/11/2021
Tiller	1	5,500	TJS	56,097	20/11/2021
Tiller	1	5,700	TJS	58,137	20/11/2021
Electric pot	1	5,700	TJS	58,137	20/11/2021
Tiller	1	5,700	TJS	58,137	20/11/2021
Tiller	1	6,500	TJS	66,071	05/12/2021
Tiller	1	5,500	TJS	55,906	05/12/2021
Tiller	1	5,500	TJS	55,906	05/12/2021
Tiller	1	5,500	TJS	55,906	05/12/2021
Tiller	1	5,500	TJS	55,906	05/12/2021
Tiller	1	5,500	TJS	55,906	05/12/2021
Refrigerator	1	6,000	TJS	61,536	11/01/2022
Laptop PC	10	14,738	TJS	151,153	20/01/2022
Laptop PC	6	14,738	TJS	151,153	20/01/2022
Security window fence	1	10,545	TJS	108,150	25/01/2022
Laptop PC	1	10,925	TJS	112,624	03/02/2022
Tractor	4	275,000	TJS	2,834,920	11/02/2022
Wood cutting machine	1	5,700	TJS	54,147	11/04/2022
Video stabilizer	1	6,000	TJS	56,997	15/04/2022
Tractor and its accessories	1	213,180	TJS	2,286,611	14/06/2022
Tractor	1	278,750	TJS	2,989,928	15/06/2022
Tiller	1	5,800	TJS	62,212	18/06/2022
Tiller	1	5,800	TJS	62,212	18/06/2022
Sewing machine	1	5,000	TJS	66,537	21/07/2022
Sewing machine	1	5,000	TJS	66,537	21/07/2022
Tiller	1	5,700	TJS	75,852	22/07/2022
Sewing and quilting Machine	1	5,700	TJS	75,852	23/07/2022
Sewing machine	1	5,200	TJS	69,198	23/07/2022
Sewing machine	1	5,200	TJS	69,198	23/07/2022

