

## THE ELECTRICITY GOVERNANCE INITIATIVE

# ELECTRICITY GOVERNANCE IN TAJIKISTAN: *APPLYING THE EGI INDICATOR TOOLKIT IN TAJIKISTAN*

### **Preliminary Findings**

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Musayeva R.G. – Energy Association of Tajikistan

Rakhimov M.Z. – Representative of Parliament

Akhrorova A.D. – Energy Association of Tajikistan

Valiev D.A. – Nakhustin (a non-governmental pension fund)

Khabibov B.A. – Consumers Union

*This document was prepared by a team of experts from public organizations in Tajikistan, with support from the World Resources Institute (USA) and Prayas Energy Group (India).*

*In this paper we review the current situation in Tajikistan's electricity sector including the most important and controversial events in the past five years in the sector. These preliminary conclusions and recommendations are based on analysis of the results obtained by the authors, using the methodology of the international program "The Electricity Governance Initiative." The document is intended for a wide range of public, policy makers, business representatives, government and non-government organizations.*

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## GLOSSARY OF TERMS AND ABBREVIATIONS

<b>Akhbori Majlisi Oli</b>	Supreme Parliament Bulletin
<b>Djamoat</b>	Self-governing body at the community level
<b>EGI</b>	Electricity Governance Initiative
<b>Farmoish</b>	Decree
<b>HPP</b>	Hydropower plant
<b>JSC</b>	Joint Stock Company
<b>kWh</b>	Kilowatts per hour
<b>Mahhalinski Council</b>	Community Council
<b>Majlisi Oli</b>	Supreme Parliament
<b>Mazhilis Milli</b>	Upper house of Parliament
<b>Mazhilis Namoyandagon</b>	Lower house of Parliament
<b>MW</b>	Megawatt
<b>Narodno-demokraticeskaya</b>	People's Democratic Party
<b>Oblast</b>	Province
<b>RT</b>	the Republic of Tajikistan
<b>Rayon</b>	District
<b>Somani</b>	the currency of Tajikistan; 1 USD = 4.37 Tajik somanis

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# EXECUTIVE SUMMARY

## Electricity Governance Initiative in Tajikistan

Electricity plays a steady role in sustaining human life. Affordability of electricity to the population, industry and agriculture is an important factor in defining the trajectory of a country's economic development and improving quality of life. Previously, all electricity infrastructure was owned and funded by the Soviet government. Reforms are necessary to respond to the new economic and political conditions that exist in Tajikistan today. Reforms to commercialize the sector began soon after the independence of Tajikistan from the former Soviet Union, and are still underway.

Decisions made in the electricity sector have fundamental impacts on the public and all categories of consumers. It is important for the government to pay attention to the interests of the public, including their concerns about social and environmental issues, in its decision-making processes. Institutions responsive to such concerns would allow for inclusive public input, expert opinions, and public disclosure.

Systematic monitoring and assessment of governance is one of the most efficient instruments to implement reforms in the electricity sector. This document is based on research conducted by a working group of Tajik Researchers using a methodology developed by the Electricity Governance Initiative (EGI) of the World Resources Institute (Washington DC, USA) and Prayas Energy Group (Pune, India). The National Institute of Public Finance and Politics (India) supported the project during its first three years. The methodology was developed over 18 months in 2003-4 and was reviewed by over 100 experts from different countries. The methodology was further revised in 2007 to incorporate experiences from pilot projects in 4 Asian countries: India, Indonesia, Thailand and the Philippines. It has also been used in Brazil and South Africa.

The first seminar to introduce the "Electricity Governance Initiative (EGI)" concept to a wide range of stakeholders in the energy sector of Tajikistan was organized by the World Resources Institute and the Energy Association of Tajikistan in September of 2008. This seminar was supported by the Open Society Institute Foundation in Tajikistan. The discussions and debates concluded that this would be timely and necessary in Tajikistan.

32 indicators were selected to assess the energy sector of Tajikistan. For the purpose of discussion, we have divided them into 4 subgroups/parts (see table below).

A detailed description of each selected indicator and its criteria are given in Appendix 2.

The goal of this study is to assess transparency, raise accountability and initiate public participation in the decision making process and the governance of electricity using the EGI Toolkit. This study was divided into the following stages:

### *Initial stage*

- Creating a working group.
- Defining the methodology, subject matter, content of a planned study and developing a working plan for the entire assessment study.

### *Implementation stage*

- Organizing, coordinating, managing, administering, analyzing and correcting the course of study.

### *Final stage*

- Preparing the analytical report.

An Advisory Panel, which includes government officials, public organizations and scientists from the sector, was convened to review this study. The Advisory Panel provided preliminary feedback to the research team, and recommended modifications to improve the accuracy of the assessment findings.

The research for this study was completed between February 2009 and May 2009. A first draft analytical report was compiled and edited during June-July 2009. Discussion of this draft led to the recommendations presented in this study by the working group, which included experts from the following public organizations in Tajikistan: Energy Association of Tajikistan, Consumers Union of Tajikistan, Nakhustin (a non-governmental pension fund) and a Parliamentary representative.

ASSESSMENT	CODE	INDICATOR
<b>PART 1. LEGAL ASPECTS OF ELECTRICITY GOVERNANCE</b>		
1	PP 1	Capacity of legislative committee
2	PP 4	Effective functioning of the legislative committee on electricity
3	PP 14	Quality of legislative debate on electricity laws
<b>PART 2. ASSESSMENT OF GOVERNANCE EFFICIENCY IN THE ELECTRICITY SECTOR</b>		
4	PP 5	Staffing policies of electricity ministry/ department
5	PP 10	Annual reports of the electricity ministry/department
6	RP 1	Institutional structure for regulatory decisions
7	RP 2	Authority of the regulatory body
8	RP 3	Jurisdiction of the regulatory body
9	RP 11	Training of regulatory body members and staff
10	RP 15	Clarity about regulatory procedures and substantive basis of decisions
11	RP 26	Orders and decisions of the regulatory body
12	RP 28	Tariff philosophy
13	RP 29	Participation in decision-making related to affordability of electricity prices
<b>PART 3. SOCIAL ASPECTS IN THE ELECTRICITY SECTOR</b>		
14	PP 7	Clarity and transparency of the executive's social mandate
15	PP 9	Capacity of executive to evaluate social issues
16	RP 5	Scope and transparency of the social mandate of the regulatory body
17	RP 13	Regulator's capacity to evaluate social issues
18	RP 16	Regulator's response to environmental and social claims
19	RP 22	Institutional mechanisms for representing the interests of weak groups
<b>PART 4. PUBLIC AND MASS MEDIA PARTICIPATION IN GOVERNANCE OF ELECTRICITY</b>		
20	PP 13	Capacity of civil society organizations
21	PP 15	Quality of media coverage of electricity policy and reform
22	PP 17	Public disclosure of information on the basis and goals of policy reform
23	PP 18	Effectiveness of public participation process
24	PP 23	Transparency of donor engagement through policy loans
25	PP 24	Transparency of donor engagement through technical assistance
26	RP19	Procedure for public access to regulatory body documents
27	RP 20	Space for public participation in the regulatory process
28	RP 21	Public access to regulatory documents and hearings
29	RP 24	Interventions by civil society in the regulatory process
30	RP 25	Electricity provider engagement with civil society organizations and potentially affected populations
31	RP 27	Dissemination of decisions
32	RP 32	Consumer service and quality of supply

## FINDINGS & RECOMMENDATIONS

### Legislative process

The work of the legislative committee on energy of the Parliament is systematic, and the quality of legislative debates meets the efficiency criteria of the process. Certain issues do have to be addressed in the policy formulation process, including improved public disclosure of the results of Committee's work and direct involvement of the public in legislative debates held by the Committee. This should allow for inclusiveness of a full range of views and conditions for preparing reasoned draft laws. The assessment results suggest the following steps:

- Develop mechanisms to allow the participation of the public, academia and civil society organizations in the work of the Committee, Mazhilis namoyandagon meetings through public discussions.
- Develop mechanisms to publicly disclose the results of the Committee's work (including by publishing regular reports on the Parliament website, and in the media).
- Create periodic opportunities for knowledge enhancement for the Committee members in related disciplines to study technical, legal, economic, technological and other new aspects of electricity sector issues.

### Executive and regulatory process

This research has demonstrated that public participation in policy and regulatory decision making processes is minimal. To improve sector governance and enhance public participation in policy and regulatory processes in the electricity sector, the working group recommends the following steps:

- Provide a legal framework for public participation in the decision-making process in the electricity sector. This would allow raised public participation, and in so doing build trust and support among the population in the reforms that are underway in the sector. Measures to allow public participation could include a mandatory debate on laws in the mass media, key documents being posted on the Parliament website, public consultations, hearings, and participation in Parliament sessions.
- Develop special procedures for public participation in collegial meetings, meetings of the inter-ministry committees at the level of the Ministry of Economic Development and Trade, and Ministry of Energy and Industry. These procedures should also cover the procedure for requesting, receiving and using information on decisions in the electricity sector.

- Provide a user-friendly network of websites of the ministries, and develop electronic databases for external rules, regulations and decrees of the ministries.
- Oblige the International Financial Institutes operating in Tajikistan to provide project information in an easily accessible form, both in Russian and Tajik, through their websites, meetings, and consultations. Information on different stages of project development, implementation and evaluation should be available in order to achieve higher transparency and accountability in the electricity sector.

### Improvement of social protection

- Improve the institutional structure of the social protection bodies, enhance coordination among such bodies, and try to involve them in the regulatory process;
- Eliminate a duplication of authorities and functions, simplify a multi-level process of document approval, eliminate complicated procedures of processing the requests and making decisions on assistance and access to social services;
- Create an Advisory Council on Social Protection, with a clear strategy and measures to implement the Concept of Social Protection. It should involve the representatives of all relevant organizations, the public, non-governmental organizations and academia;
- Create consultative committees (as a community liaison office) at the town/raion level with involvement of the deputy corps and public organizations.
- Ensure transparency of donor supported projects by providing access to information on different stages of project development, implementation and evaluation
- Consult with the government and civil society on the development of a common sector strategy.

## A. BRIEF OVERVIEW OF THE ENERGY SECTOR IN TAJIKISTAN

### General information

Tajikistan is located in south-east Central Asia. A landlocked country, it has an area of 143,000 square kilometers. Tajikistan borders in the west and in the north with Uzbekistan and Kyrgyzstan, in the east with China, and in the south with Afghanistan. The Gorno-Bodakhshan autonomous oblast (province) occupies 45% of country's territory. The population of Tajikistan is approximately 7.5 million people, more than 73% of whom live in rural areas. The average population density is approximately 47.5 persons per square kilometer.

Tajikistan is a mountainous country; it has 72 peaks with average elevation over 6,000 meters. Tian Shan, Gissaro-Alay and Pamir mountain systems cover 93% of Tajikistan's surface area. High mountains are always covered with snow and ice. Glaciers cover 6% of the total country area and contain 550 cubic meters of water reserves.

Tajikistan's rivers are one of the main sources of Aral Sea replenishment. Glaciers and permanent snow cover feed the rivers of Aral Sea basin with more than 13 cubic meters of water annually. There are more than 1,000 lakes in Tajikistan, 80% of which are located 3,000m above sea level.

### Resource base of energy sector in Tajikistan

Tajikistan possesses vast and unique reserves of hydro-power resources. It occupies the 8<sup>th</sup> place in the world on absolute indicators of hydro resources (it owns about 4% of cost-effective hydro-potential of the earth) and the 1<sup>st</sup> place on per capita hydro resources (per person and per territorial unit). Potential hydro power capacity of the country is 527 billion kWh. However, the industrial (technical) hydro-potential is only 317.82 billion kWh, or 61.3% per year. 93.7% of annual energy supply in Tajikistan is provided by hydro-electric sources.

The fuel and energy sector of Tajikistan includes oil, gas, and coal deposits, with reserves for coal, gas and oil estimated at about 4.452 billion tons, 8.517 trillion cubic meters and 117.6 million tons, respectively. Production of coal, oil, and gas is estimated at 97 thousand tons, 21 thousand tons and 30 million cubic meters, respectively, which only meets 16% of the national demand for coal, 4.7% of the demand for oil, and 5.4% of the demand for gas.

Cumulative coal reserves in Tajikistan, as well as in other Central Asian republics, are very extensive. However, their exploitation requires significant initial investments to develop field infrastructure. Almost all minefields are located in mountainous areas, which lack space for construction of large power stations and have underdeveloped transportation networks.

Figure 1. Map of Tajikistan



Source: Wikipedia 2009 (<http://en.wikipedia.org/wiki/File:Ti-map.gif>)



**TABLE 1. Structure of annual energy resources in Tajikistan (in million tons of fuel oil equivalents)**

Hydro resources	Coal	Oil	Gas
158.12	13.35	1.85	0.75

The country has significant potential to utilize solar energy that can be used to produce electricity for domestic and industrial purposes. Theoretically, Tajikistan, which has large uranium reserves and processing facilities, could produce nuclear energy. But its production in the nearest future might be problematic. Production of wind energy and biogas in Tajikistan is not economically feasible.

Tajikistan's significant water resources have pre-determined the priorities for further development of the energy sector. Construction of hydro-electric stations allows exporting electric energy to other neighboring countries experiencing shortages of electricity. At present, only 6.5% of economically feasible hydropower capacity is being exploited. The hydro energy is mainly produced by the hydro-electric stations built on Vakhsh River.

### Current state of the energy sector in Tajikistan

The entire modern energy system of Tajikistan was created within one human generation. The first Varzob hydropower plant (HPP) with a capacity 17.15 megawatts (MW) was launched in 1936, the last large HPP Baipaza was launched in 1984.

The largest HPPs in Tajikistan are: Nurek HPP on Vakhsh river with a capacity 3,000MW and annual electricity production of more than 11.2 billion kilowatt hours (kWh), Sangtuda-1 HPP with a capacity 670MW and annual electricity production of 2.73 billion kWh, and Baipasin HPP with a capacity 600 MW and annual electricity production of 2.5 billion kWh.

Other usefully operating plants include: the Vakhsh cascade built on Vakhsh River with a capacity 285MW, Varzob cascade on Varzob River with a capacity 25MW, Kayrakkum hydropower plant on Syrdarya River with a capacity 126MW, Khorog and Pamir HPPs on Pamir with a joint capacity 36.7MW.

The capacity of the energy system of Tajikistan is 5,070MW. Of that, thermal electric power plants represent only 6.3%, which is 320MW. The number and length of electricity transmission lines and switchyards are given in Table 3.

**TABLE 2. Energy system of Tajikistan**

№	Name	Capacity, MW. As of 01.01.2009		Operating (average annual)
		Installed	Available	
1.	Nurek HPP	3000.0	2275.0	1853.6
2.	Sangtuda-1 HPP	670.0	670.0	
3.	Baipaza HPP	600.0	600.0	437.6
4.	Dushanbinsk TPP	198.0	198.0	33.9
5.	Yavansk TPP	120.0	120.0	-
6.	Kayrakkum HPP	126.0	96.0	55.52
7.	Vakhsh cascade	285.05	205.0	139.0
	7.1. Golovnaya HPP	240.0	160.0	119.8
	7.2. Perepadnaya HPP	29.95	15.1	15.5
	7.3. Central HPP	15.1	15.1	3.7
8.	Varzob cascade	25.36	6.0	7.9
	8.1. HPP -1	7.15	3.0	3.942
	8.2. HPP -2	14.76	2.5	3.048
	8.3. HPP -3	3.52	0.5	0.526
9.	Pamir and Khorog HPPs	36.7		
10.	Small scale HPP	30.62	26.825	22.33
11.	Diesel power plant	27.640	22.441	
	11.1 Mobile	9.1	7.5	-
12.	Total	5,070.0	3,188.996	2,802.63

**TABLE 3. Capacity of electricity transmission system**

Length of electricity transmission lines (high voltage and cable lines) route, km.					Switchyards units/ thousand kWh
Total	500kW	220kW	110kW	<35kW	
59248	226	1206	2905	54911	11213 / 13546

Hydropower production in Tajikistan is highly dependent on rates of stream flows (all the existing reservoirs, including the largest Nurek reservoir, provide seasonal and not cumulative water storage). Fuel availability at thermal power plants also varies. The electricity production varies between 13 and 18 billion kWh annually.

During the Soviet period, the structure of the energy sector in Tajikistan was divided into two isolated parts: south and north. The south energy system had energy surpluses, while the north had deficits. The north subsystem receives 85% (about 3.5 billion kWh per year) of consumer electricity from Uzbekistan. In its turn, Tajikistan gives the same amount of electric energy to

Uzbekistan in the south and to Surkhandaryinskaya oblast. So, there is simply an energy exchange.

One point that needs to be mentioned is that Tajikistan's hydropower system has large water reservoirs (Nurek reservoir's volume is 10.5 cubic kilometers (km<sup>3</sup>) and Kayrakkum's is 4.2 km<sup>3</sup>), which serve two purposes: the production of hydropower and irrigation. The seasonal regulation of flow for irrigation purposes is mostly done for other republics – Uzbekistan, Kazakhstan and Turkmenistan. This regulation is performed to the detriment of Tajik national interests and should be reimbursed accordingly. An appropriate trading relationship is still being formed; the regulatory and economic base is still underdeveloped.

In Tajikistan, compared to 1991, production of oil dropped by a factor of 2.6, gas by 5.7, and coal by 3.4, respectively. Notwithstanding this fact, the fuel and energy sector of Tajikistan did not only help the country to survive during the independence years but also provided a foundation for its sustainable socio-economic development. The consumption of natural gas decreased four-fold, petrochemical consumption decreased six-fold, and coal consumption decreased eleven-fold. Imports of the fuel and energy sector declined as well: petrochemicals by 1.5 million tons, natural gas by 1.3 billion cubic meters, and liquefied gas by 100 thousand tons. As a result, compared to the late 80s and early 90s, domestic consumption of electricity increased by four times; from 1 billion kWh to 4.5 billion kWh per year.

At present, the deficit of electricity during the fall-winter period is 4-4.5 billion kWh. During this period, there is a limited electricity supply mode, and that has a significant impact on the economy of the country. During the summer time, the country has the same amount of excessive electricity supply. This is a result of poor regulation of flow by the existing reservoirs. During the Soviet period, Tajikistan exchanged its excess summer electricity supply for a winter supply from neighboring countries as a part of a Single Energy System. That way it covered its energy deficit. After the collapse of the Soviet Union, this system was liquidated. Tajikistan was blocked entry to the summer electricity market. As a result, its electricity is simply being wasted in a form of idle discharges of HPP. This is how the energy deficit of the country formed. A plunge in the supplies of petrochemicals and gas from neighboring countries and a continuous increase in their prices is another reason for the fall-winter electricity deficits in Tajikistan.

Decisions made in the electricity sector have fundamental impacts on the public and their interests. Lack of energy slows down economic growth, affects employment, and access to education, medical services and pure drinking water. Its inefficient use may cause environmental disasters.

Issues in the energy sector affect the supply and quality of electricity. Unreasonably low tariffs are not conducive to sector development. However, electricity reform-led tariff hikes have been greeted by popular uprisings. There are significant electricity losses, and the measures to save energy are not sufficient. The utilized technologies are highly energy intensive. The following issues are high on the agenda: repair, modernization and reconstruction of outdated and worn-out equipment of existing HPPs; development of primary processing of coal stocks, prevention of idle losses of electric energy and gas. And, of course, a top priority goal is to construct and launch new HPPs, boost investments into the sector, use alternative energy sources, and introduce reforms into the electricity sector.

## **Future of energy developments in Tajikistan**

Electric energy deficits can be mitigated by reconstructing and modernizing the energy system, increasing capacity of existing energy generators and constructing small scale HPPs in remote rural areas in order to maximally provide consumers access to energy sources and reduce the losses arising from long distance transmission. These losses constitute 3.2% of productive energy supplies.

The Framework of Fuel and Energy Sector of the Republic of Tajikistan for 2003-2015 stipulates continued reconstruction and modernization of the main objects of the energy system, construction of new HPPs and further infrastructure development.

The Government of Tajikistan has defined two priorities for energy sector development: the reformation of the internal energy sector of the country and export market orientation. The former involves reforms in price setting policies, financial discipline, the social protection system and institutions. Certain steps have been already made to implement this strategy. Several projects on modernization and reconstruction of existing objects in the energy system, mitigation of energy losses are being carried out with the financial assistance of international organizations. The HPP modernization and rehabilitation projects stipulate increase of capacity up to 10%, which would allow for increasing installed capacity of HPP by 350-400 MW. Social protection programs, or "reduced tariff programs," were introduced in Tajikistan to help those below the poverty line pay the bills for consumed electricity.

The following items have to be accomplished in the near future in Tajikistan to ensure the energy security of the country:

- Completion of construction of large HPPs that were started in the 1990s: Rogun-1 HPP, Sangtuda-1 HPP and Sangtuda-2 HPP.
- Construction of switchyards “Dushanbe-500kV” and “Khatlon-500kV.”

The issue of switching the Dubshanbinsk and Yavansk thermal power plants to coal is being resolved; however, a necessity of introducing environmentally friendly ways of burning coal has been underlined. Switching, not only thermal plants, but also boilers, to the new coal burning technologies should partially solve the energy security of the country. As a result, the coal industry will receive additional stimulation and the inhabitants of major cities will receive greater supplies of hot water and heat. This should significantly reduce pressure on electricity lines, lead to the creation of additional jobs and improve the overall economic climate. Efficiency of primary and transformed energy usage is very low in Tajikistan; more attention should be paid to this issue. Today, rate payers throw away money paying for these inefficiencies. A large amount of heating goes to heating “room air” by various electric heating appliances of unknown “origin” and capacity, thus burning precious millions of kilowatts of electric energy. To become an exporter of electric energy and further develop its energy sector, Tajikistan will need to solve the issue of internal consumption. To achieve efficient and sustainable energy consumption, the Government should address the following two aspects:

- Accelerate introduction and development of decentralized heating systems that would use various energy sources in Tajikistan’s cities;
- Introduce energy saving technologies in all facilities requiring heat supplies.

With the modernization of existing HPPs as well as the introduction of Sangtuda-1 HPP, Sangtuda-2 HPP and first line of Rogun HPP, the electricity production in Tajikistan will reach 26.4 billion kWh. The export potential of the country, in that case, would become 5 billion kWh.

In a regional sense, the medium-term program should help the energy sector of the country get access to an external market. The following investment projects are being implemented to ensure that Rogun HPP, Sangtuda-1 HPP and Sangtuda-2 HPP work at full capacity, and the country has excess energy supplies to export:

- Construction of high-voltage-500kV line “South-North” (Yug-Sever) and power transmission line 220 kV “Lolazor-Khatlon”
- Construction of high voltage – 220kV line “Tajikistan-Afghanistan”

- Construction of high voltage - 500 kV line “Rogun-Sangtuda-Kunduz-Puli Khumri –Kabul - Peshavar.”

One option under consideration is to further extend the power transmission line-500kV “South-North” to access the south of Kazakhstan and the Russian Federation.

It is expected that the following electricity transmission lines will be constructed:

- High voltage 500 kV line: Rogun to Sangtuda to Kunduz to Puli Khumri to Kabul to Gerat to Mashkhed
- High voltage 500 kV line: Rogun to Dzhirgatal to Kyrgyzstan to China
- High voltage 500 kV line: Rogun to Kunduz to Puli Khumri to Kabul to Peshovar

In the coal sector:

- Construction of coal mine “Vostochnyi” at Fon-Yagnob deposit;
- Construction of coke production plant and thermal power plant with a capacity 1,500 MW;
- Construction of mine “Ziddi” and thermal power plant with a capacity 200MW in Dushanbe;
- Construction of mine “Shikor-Khon” at Nazar-Ailok pure anthracite deposit

In oil and gas industry:

- The exploration of Vostochnyi Olimtoi, Sarykamysh, Kichikbel, Vostochnyi Supetau, and Sargazon;
- Carrying out seismic surveying works

At the moment, construction of Sangtuda-1 HPP and electricity transmission line 220kV “Lolazor-Khatlon” has been completed, and the high-voltage-500kV line “South-North” (Yug-Sever) is under construction.

Regional cooperation of other countries in the region to exploit the unique hydropower resources of Tajikistan will become one of the factors that will determine the energy security of these countries in the nearest future.

## B. GOVERNANCE ASSESSMENT OF THE ELECTRICITY SECTOR

### Concepts of policy and regulatory processes in the context of this study

The EGI Indicator Toolkit presents a framework to assess governance in the electricity sector. The framework is organized around policy processes and regulatory processes. Indicators for regulatory processes are intended to be applied to either independent regulators or government bodies in which regulatory functions are embedded.

#### POLICY PROCESS

“Policy process” is defined as policy formulation at the legislative and executive levels, such as the Government and related ministries. It includes the development, review and adoption of laws and legal acts by executive agencies.

Indicators on policy process allow assessment of the following

- Capacity and authority of Parliament and other public agencies involved in policy formulation in the energy sector;
- Decision-making procedures of organizations involved in policy formulation;
- Case study of work of agencies involved in policy formulation;
- Engagement, capacity, opportunities, inclusiveness, procedures and rules for participation of the public, civil society organizations, and academia in policy processes;
- Procedures for public disclosure of information on policy formulation;
- Capacity of all organizations involved in policy formulation to assess social and environmental issues;
- Engagement of international organizations/donors in the policy formulation process in the electricity sector.

#### REGULATORY PROCESS

Regulatory process is defined as a process intended to regulate the sector in accordance with existing legislation, and includes such actions of executive agencies such as tariff setting, licensing for power plants and other infrastructure. It also includes the process of issuing standards and requirements for electricity quality. In many countries, the regulatory process is performed by special agencies, an independent commission, or a special unit within the ministry. That allows for a uniform implementation of formulated policy in the energy sector.

Indicators on regulatory process allow assessment of the following:

- Existence, capacity and jurisdiction of the regulatory body (bodies);
- Decision-making procedures of the departments tasked with regulatory functions;
- Case study of work of the regulatory body (bodies);
- Engagement, capacity, opportunities, inclusiveness, procedures and rules for participation of the public, civil society organizations, academia in regulatory processes;
- Procedures for public disclosure of information on the work of the regulatory body;
- Capacity of all organizations involved into regulatory process to assess social and environmental issues.

## 1. Legal aspects of electricity governance

This section looks at policy formulation in the electricity sector at the legislative level. The working group selected the three most related indicators to assess the capacity of the legislative committee dealing with energy; the functioning of that committee, and the quality of legislative debate.

### Legislative framework and policy process

Development of the energy sector in the Republic of Tajikistan (RT) is guided by the following laws and legal acts: Constitution of RT, The Law of RT “On Energy”, The Law of RT “On Energy Conservation”, other legal acts and international norms recognized by RT. These acts determine government policy and regulatory measures in the energy and energy saving sectors, authority of the Government of the RT and other related public agencies. They also define the administrative procedures for energy companies and property rights in the energy sector, including the protection of consumer rights. They point to the necessity of having a specialized state agency for energy control, to determine energy efficiency standards, certification and metrology procedures, and liabilities for breach of energy legislation. As of today, the legislation in Tajikistan does not have laws specifically regulating the electricity sector.

### OVERVIEW OF LEGISLATIVE FRAMEWORK

The following legislative acts define the legislative framework of the energy sector (including the electricity sector).

#### *The Law of the Republic of Tajikistan “On Energy”*

The legislative framework of the energy sector was introduced with passing the Law of the RT “On Energy” №123 on 10 November 2000. This Law determined that “all entities in the energy sector are allowed to function under the different ownership forms (state, private, public, mixed and joint).” However, the law keeps the Government of the RT or other delegated government agencies as the principal agencies to manage the energy sector. Along with that, this Law addresses the specifics of how the energy sector functions, which includes: monitoring activities of energy companies, protecting their property and consumer rights protection, determining tariff setting policies in the energy sector, and establishing the authority of the Government of the RT to approve concession agreements on energy facilities, including offering concessions to foreign investors.

A new version of this law, initiated by the Government, was accepted with modifications and additions on 30 May 2007.

#### *The Law of the Republic of Tajikistan “On Energy Conservation”*

The Law of the RT “On Energy saving” №524 dated 06 February 2002 regulates activities of legal entities and individuals in the energy saving area to raise the efficiency of energy consumption. The goal of this Law is to provide a legislative framework for government policy in the energy conservation while taking into consideration the interests of consumers, energy suppliers and producers. It also aims to stimulate scientific work, and introduce energy efficient technologies and information mechanisms to increase energy efficiency.

The following legislative acts determine other aspects of the energy sector:

#### *The Law of the Republic of Tajikistan “On privatization of state property”*

The Law of the RT “On privatization of state property” dated 16 May 1997, with amendments and additions of 2002 and 26 March 2009, stipulates that the property of the hydroelectric plants “Nurek”, “Rogun” and the State unitary enterprise “Tajik Aluminum Company” is not subject to privatization (Article 9).

#### *Tax Code of the Republic of Tajikistan*

Part 53 of the Tax code of the RT dated 03 December 2004 determines a “royalty on water.” Tax payers are the legal entities and individual entrepreneurs using water of the RT for energy production. The use of hydro resources to produce electric energy at hydropower plants is subject to a royalty. The use of hydro resources for energy production is exempt from a royalty if capacity of energy generating facilities does not exceed 1,000 kW.

#### *The Order of the President of the RT “On additional measures for efficient energy use and energy saving” dated 24 April 2009*

Some of the special orders of the President of Tajikistan have a regulatory status.

Author: Mavdzhuda Khasanova

Dushanbe. 25 April. "Asia-Plus" - Tajikistan switches to energy saving lamps. The President of the country, Emomali Rakhmonov signed a relevant law yesterday.

"According to the Order issued on May 01 of this year, the population of Tajikistan should switch to energy saving lamps" – reports the press-service of the President's Office. Heads of central and local government authorities, organizations, companies, irrespective of ownership, have to provide conditions to transfer to the use of energy saving lamps by the end of 2009.

Apart from that, it was decided that the Ministries of Finance, Economic Development and Trade, Energy and Industry, Labor and Social Protection, executive government agencies and the "Barki Tajik" company have to distribute energy saving lamps to 241 thousand poor families by October 2009.

This Order requires a number of ministries and government agencies, including the Ministries of Economic Development, Finance, Energy and Customs Service, to submit detailed suggestions to the Government of Tajikistan on how to gradually reduce the number of regular lamps.

According to this Order, corresponding ministries and agencies have to build and launch two enterprises for production of energy saving lamps by attracting internal and foreign investments, and to improve the existing energy saving standards.

The Government is required to take necessary measures to provide Tajik people with domestic supplies of gas – within a 3 year period, and electricity – within 4 years by attracting external and internal investments.

Also, the corresponding agencies have to develop and present the Energy Saving Program for 2010-2015 to the Government by September 01, 2009. The agencies are required to develop and approve the Plan of Activities to construct and launch large, medium and small scale electric power plants, reconstruct existing hydro and thermal power plants.

<http://www.asiaplus.tj/news/16/50488.html>

## Policy-making at the Legislative level

According to the Constitution of the RT (Article 58) the following agencies have a right to initiate legislative changes:

- Members of Mazhilis Milli (Upper House of the Parliament);
- Members of Mazhilis namoyandagon (Lower House of the Parliament);
- President of the RT;
- Government of the RT;
- Mazhilis of national delegates of Gorno-Bodakhshan autonomous oblast.

In most cases, draft laws initiated by these agencies have to be submitted to the Parliament one to three months before their discussion in the plenary session. This period is considered as adequate to examine the draft law in detail and make a reasonable decision on it. Public hearings can be held on the draft laws and decrees of Mazhilis namoyandagon according to the established procedures. The decision to hold public hearings to discuss draft law has to be supported by majority of the member votes of Mazhilis namoyandagon.

The Rules of Mazhilis namoyandagon Mazhilis Oli of the RT describe the process of discussing draft laws submitted to the Parliament by the above-mentioned agencies. According to the rules of Mazhilis namoyandagon Mazhilis Oli of the RT, draft laws submitted by the agencies with the right of legislative initiative have to be directed to the Government of the RT first for coordination and endorsement purposes. Draft laws submitted by the President of the RT and the Government of the RT to Mazhilis namoyandagon Mazhilis Oli of the RT have to be coordinated with the interested parties.

According to the Rules, voting in favor of or against any draft law has to be preceded by discussion at a corresponding committee meeting. The Council of Mazhilis namoyandagon sends submitted draft laws to the relevant committees and other agencies to get their opinion.

According to the Rules, the relevant Committee has to determine its own deadlines for issuing comments on and responses to draft laws, unless the Council of Mazhilis namoyandagon determines otherwise.

The Council sends the draft laws containing state budget expenditures, except those submitted by the President and Government of the RT, to the Government along with financial justification. The Government has to provide its response to Mazhilis namoyandagon in a period stated by the Council but not later than 2 months (Article 96 of the Rules).

In its extended session, the relevant Committee invites representatives of other agencies and agencies with a right of legislative initiative, public representatives, scientists and experts to discuss the draft law. After comprehensive discussion and approval, the relevant Committee prepares and submits the text of the law to the Council Mazhilis namoyandagon (Article 99 of the Rules). Discussion of the draft law at the meeting of the relevant Committee is usually open to everyone. The representatives of committees and other invitees have a chance to ask the agency that initiated this draft law any questions and give feedback. Based on the decision of the agency with a right of legislative initiative, government officials, public, scientific and other organizations, individual scientists can form a working group to further develop and improve the draft law.

Based on recommendations of the relevant Committee, the Council Mazhilis namoyandagon determines a deadline for submitting the revised draft law to Mazhilis namoyandagon and includes it in the calendar of activities of Mazhilis namoyandagon (Article 99 of the Rules). The Council Mazhilis namoyandagon determines a time period to review the draft law. According to the Rules, the process of passing the laws has no time limit. Draft laws can be approved at the first or second reading.

## Applying the Policy Process Indicators

We have selected three indicators to assess policy processes in the electricity sector of Tajikistan. Indicator PP1 “Capacity of legislative committee” assesses the existence and capacity of a special governmental legislative committee in the energy sector. Indicator PP4 “Effective functioning of the legislative committee on electricity” assesses effective functioning of dedicated legislative committee in the electricity sector. The third indicator, PP14 “Quality of legislative debate on electricity laws,” allows assessment of the quality of legislative debates according to four elements of quality: duration of debate, attendance of members, composition of speakers, and public availability of debate transcripts. The first two indicators are applied to the committee on energy sector of the Parliament; the third gives a general assessment of debates in the Parliament. The major laws regulating the electricity sector were issued between the years 2000 and 2004. The indicators were applied in application to two major laws on energy in Tajikistan: “On Energy” and “On Energy Conservation.”

## Capacity of the Legislative Committee

The Committee on Energy, Industry and Communication is a committee on energy sector at the Lower House of Parliament of Tajikistan: Mazhilis namoyandagon. Apart from electricity supply issues, this Committee works on all other issues related to

other aspects of energy, industry and communication. Mazhilis namoyandagon forms the Committee on Energy, Industry and Communication from the delegates of Mazhilis namoyandagon. There are 7 delegates, or members of the Committee, and each of them is responsible for the legislation in a particular industry. The Committee members collectively make decisions on each industry: including energy, industry and communication.

- No periodic opportunities for knowledge enhancement or trainings on energy (electricity) issues were organized for the Committee members. To the extent possible, they participate in seminars and conferences on energy issues organized by international organizations and public institutions. For example, the delegates participate in the CIS Inter-Parliamentary Assembly, EurAsEC, and joint committee with the Lower Chamber of the Russian Parliament (Duma). The delegates participated in the Moscow Energy Forum (2005, 2006); European Energy Forum in Istanbul (2003), and went to Austria and China. The delegates of Bundestag from Germany, congressmen from USA, representative of OESC and IMF gave lectures on legislation, including energy sector legislation. However, this type of knowledge enhancement is not periodic and does not pursue any specific goal.
- Mazhilis namoyandagon was allocated 4,253,390 somoni, while Mazhilis Milli – 876,500 somoni. The budget of the Committee on energy was included into the budget of the Parliament. According to the Law on Budget and the Rules, the Committee does not have a separate item in the budget of the Parliament or a specifically allocated budget on its own. Use of the budget money goes through the Council Mazhilis namoyandagon. Therefore, there are no dedicated financial resources to invite experts or carry research in the relevant area, including the energy sector. The financial resources are earmarked for the entire Parliament and are not under the Committee’ control.
- According to the Constitutional Law of the RT “On legal status of members of Mazhilis Milli and delegates of Mazhilis namoyandagon of Mazhilis Oli of the Republic of Tajikistan”, delegates have a right to meet with their electorate; invite appointed officials to these meetings; control the process of considering the complaints, grievance claims of constituencies; study public opinion, needs and requests, and communicate them to the Parliament and its bodies (Article 16). The delegates also have a right to make suggestions to hear an informational report by any government official, and hold them accountable to the Parliament (Article 10) at the Parliament and Committee meetings. They can also make inquires and submit draft laws to Mazhilis namoyandagon’s consideration.

Overall, the capacity of the Committee is assessed as average. Given the authority it possesses and its access to the relevant literature and expertise, the Committee does not have dedicated financial resources or taken advantage of any other opportunities to independently attract experts and organizations for discussions on specific issues. Lack of a regular related curriculum on knowledge enhancement of the Committee members to maintain their awareness of the current changes in the sector may negatively affect their decision making process. As of today, the capacity of the Committee is not institutional or systematic in nature. It is based on the competence of individuals who are the experts in their fields.

## Effective functioning of the Legislative Committee on electricity

Effective functioning of the legislative committee on electricity is one of the important components of reasoned legislative decisions in the sector. Analysis of the work of the Committee for the reporting period (2007-2008) demonstrated that the Committee is active, self-motivated, and result-oriented. However, certain elements of quality are not present.

The mission of the Committee is clearly defined by the Rules of Mazhilis namoyandagon, but the Rules do not define the following criteria:

- **Specific requirements for Committee members to disclose past links.** That can be explained by insufficient commercialization of the electricity sector, resulting in virtually no potential for conflict of interest.
- **Public hearings and public disclosure of the results of the Committee's work, recommendations and report.** The public has the ability to obtain such information but there is no clearly defined procedure for doing so.

Every year the Committee has to report information on its activities. Information is provided in a format determined by the Committee. The report includes information on the Committee's sessions, meetings with the electorate, participation in different sessions, conferences, seminars and other activities for the past year. There were no Parliament hearings on issues related to the authorities of the Committee. Two detailed reports on the Committee's work for the third and fourth assemblies were prepared and submitted to the Parliament. There were no public consultations within the considered period of time. The term "public consultation" does not exist in the Rules. However: 1) the representatives of the public, scientific community, experts can be invited to the extended meetings of the Committee and 2) there are also meetings with the electorate. During these meetings, the delegates consult the public on reviewed draft laws and give explanations to approved laws. For example, seminars,

consultations, discussions and other meeting were held during the adoption of the Law "On Energy Saving."

According to Articles 135-135 of the Rules, Mazhilis namoyandagon has a right to initiate public debates of the draft laws. At that time, the Committee holds different meetings with individuals and organizations, summarizes their suggestions and takes them into consideration while finalizing the law. According to the Rules and the Law of the RT "On individual requests", Committee members work with the public, accept complaints, requests and suggestions. Also, the delegates have to meet the electorate twice a year (Article 45), to explain the content of adopted laws. Nevertheless, the Rules do not define the procedures for public disclosure of the Committee's reports and recommendations. In the case that individuals are given the corresponding permissions, they can get access to such information.

Given the Committee's recommendation or request, executive agencies can provide necessary documentation on implementation of legislation.

According to the Article 16 of the Rules, the work of the Committee is performed in the form of sessions and free discussions. From the results of the Committee's work we see that the Committee held 16 extended sessions and 47 Committee meetings in the period 2007-2008. 162 recommendations on draft laws and agreements submitted to the Parliament were filed and presented. 80% of those suggestions and notes were accepted. According to the Rules, the meetings' findings have to be submitted to the relevant Committee. Exercising their right of legislative initiative the Committee members have prepared and submitted to the Parliament 7 draft laws, 3 of which were adopted. These include: the Law of the RT "On making amendments and additions to the Law of the RT "On Energy" dated 13 June 2007 (Akhbori Mazhilis Oli of the RT, 2007, № 6); the Law of the RT "On Production Sharing Agreement" dated 05 March 2007 (Akhbori Mazhilis Oli of the RT, 2007, № 3, Article 171); the Law of the RT "State Regulation of Production and Turnover of Certain Types of Petrochemicals" dated 30 July 2007 (Akhbori Mazhilis Oli of the RT, 2007, №7, Article 671). Being a relevant committee on certain issues, the Committee has prepared and submitted to the session eight draft laws and eighteen legislative acts making amendments and additions to existing laws.



## Quality of legislative debate on electricity laws

Quality of legislative debate is another important factor of the work of the Parliament. To assess indicator PP14, the working group considered two laws regulating the electricity sector – the Law of the RT “On Energy” and the Law of the RT “On Energy Saving.”

### DURATION OF DEBATE

This element assesses the time available for legislators to study and understand the range of issues arising out of such legislation. At the same time, if the legislation is unduly delayed beyond the time required to understand issues, it is a signal of an ineffective legislative process. As mentioned above, based on recommendations of the relevant Committee the Council Mazhilis namoyandagon determines a deadline for submitting the revised draft law to Mazhilis namoyandagon and includes it in the calendar of activities of Mazhilis namoyandagon (Article 99 of the Rules). The Council Mazhilis namoyandagon determines a time period to review the draft law. According to the Rules, the process of passing the laws has no time limit. A draft law can be approved at the first or second reading.

The Law “On Energy” was presented as a legislative initiative of the Government of the RT. The delegate Shabdolov Sh.D. was responsible for its preparation in the Parliament. According to the Decree of the Parliament Council, the draft law was directed to the relevant committees on 18 May 2000. Committees and legal department presented 16 suggestions and recommendations that were adopted. This law was approved by Mazhilis namoyandagon on 13 October 2000 and signed by the President of the RT on 29 November 2000. Along with that, the Government proposed amendments and additions to this law. The draft law was sent to the Committees and legal department on 16 April 2007. 15 suggestions and recommendations were made. Of them, 10 were accepted, 2 were partially accepted and 3 were rejected. On 30 May 2007 the Mazhilis namoyandagon finally adopted the law, and it was signed by the President of the RT.

The Law “On Energy Saving” was presented as a legislative initiative by the delegate Shabdolov Sh.D. on behalf of the communist fraction. The draft law of the RT “On Energy Saving” was sent to the relevant committees on 18 December 2000. Committees and legal department came up with 60 suggestions and recommendations, 43 of which were adopted. The Law was adopted on 06 February 2002 by the Parliament and was signed by the President of the RT on 10 May 2002.

The member of the industry committee was appointed as a responsible person for preparing both laws. The Law “On Energy Saving” was initiated by the Committee member Shabdolov Sh.D.

### ASSESSMENT OF DEBATES’ EFFICIENCY

Usually, Mazhilis namoyandagon adopts regular laws by a majority of votes from a total number of delegates. The Constitutional laws have to be adopted by more than 2/3 of total votes (Articles 60- 61 of Constitution of the RT; Articles 59-60 of Constitutional Law of the RT “On Mazhilis Oli of the RT”). Mazhilis namoyandagon consists of 63 delegates. 57 delegates participated in debates on the Law of the RT “On Energy.” 52 out of 63 delegates participated in debates on the Law of the RT “On Energy Saving.” Thus, more than 90% of delegates participated in the process of adopting the Law “On Energy” and more than 80% of delegates participated in the process of adopting the Law “On Energy Saving.” All seven members of the Committee participated in the debates. All of them voted to review the draft laws to make suggestions.

Analysis of composition of speakers/delegates demonstrated that:

1. While adopting the Law of the RT “On Energy”, the following speakers expressed their opinion:

People’s Democratic Party (Narodno-democraticheskaya) – 7  
Communist party - 5  
Islamic revival party - 1  
Independent – 4

2. While adopting the Law of the RT “On Energy Saving”, the following speakers expressed their opinion:

People’s Democratic Party (Narodno-democraticheskaya) – 8  
Communist party - 3  
Independent – 3

Representatives of the major parties represented in the Parliament took part in discussion of these laws.

All of the Mazhilis namoyandagon meetings are transcribed. The available transcripts of the sessions that accepted the above mentioned laws are:

1. Protocol № 1 from 02 October 2000, second session of Mazhilis namoyandagon of second calling.
2. Protocol № 17 of the third session of Mazhilis namoyandagon of second calling on 06 February 2002.

Also, there are four transcripts of the Committee on energy that reflect the process of holding debates and accepting amendments. Starting from 2005, the parliament newspaper “Sadoi mardum” renewed the publication of records of all Mazhilis namoyandagon meetings. Information published within one week after the

session is available to any individual interested in obtaining information on legislative debates.

Overall, analysis demonstrated that these laws were considered in a reasonable time period, with 80-90% of participation of the delegates. Composition of speakers was diverse; all sessions have transcripts that were available to the public through the newspapers starting from 2005 and onward.

## RECOMMENDATIONS

Based on the analysis of all three indicators, we can tell that the work of the legislative committee on energy of the Parliament is systematic, and the quality of legislative debates meets the efficiency criteria of the process. Certain issues do have to be addressed in the policy formulation process, including improved public disclosure of the results of Committee's work and direct involvement of the public in legislative debates held by the Committee. This would allow for inclusiveness of a full range of views and conditions for preparing reasoned draft laws. Based on obtained results, the working group has prepared the following **suggestions and recommendations:**

- Develop mechanisms of participation of the public, academia and civil society organizations in the work of the Committee, Mazhilis namoyandagon meetings through public discussions. That should help raise trust to the decisions and allow a full range of views and suggestions in the decision making process.
- Develop mechanisms of public disclosure of the results of the Committee's work (publishing regular reports on the Parliament website and in the media). That would allow for greater transparency and accountability.
- Create periodic opportunities for knowledge enhancement for the Committee members in related disciplines to study new approaches in technical, legal, economic, technological and other aspects.

## 2. Institutional assessment of the executive

### Staffing policies

According to the existing legislation, the Ministry of Energy and Industry of RT is the primary agency to implement the existing laws in the electricity sector. The law “On energy” designates this ministry has been designated as the government agency responsible for implementation of government policy in the energy sector. Clear and thoughtful staffing policy of the ministry determines the future of the energy and, particularly, the electricity sectors. Apart from performing traditional human resource functions, the staffing policy of that ministry should provide strategic guidelines to ensure the independence of decisions to be taken by the management at all levels.

From applying indicator PP5, we see that the Ministry of Energy and Industry of RT has certain requirements in place with respect to the level of professional attainment and to the job descriptions as stipulated by its organizational chart. According to the law of RT “On public service” and Rules on advertising job vacancies, the process of advertising job vacancies ensures that all citizens have equal access to public service vacancies (Article 10).

However, the employment process is constructed in such a way that it does not prevent a conflict of interest. For example:

- Any person working at the Ministry of Energy and Industry has an open-ended contract, with no procedure or criteria in place to fire such a person before his/her term expires: any dismissal is made on general terms, same for all public servants. Dismissals therefore do not require justification.
- Some information about the previous contacts of the new employee can be accessible in the official resume, submitted according to the general business requirements. However, there is no special procedure of submitting this type of information, nor is there an opportunity to verify the submitted information.
- Special procedures for dismissal, which would prohibit the employees from unfairly helping companies in the sector, do not exist.
- There is no special procedure in place that would prohibit the employee from working in companies in the core industry after leaving the job in the ministry.

An important issue that could arise is a potential conflict of interest between the ministry (through the actions of its employees or management) and energy companies. For example, in most countries with developed market economies, employees of the agency involved in energy policy are not allowed to work in the enterprises in that sector for several years after their retirement/dismissal in order to prevent a potential conflict of interest. This item is prescribed by their contractual agreements. This is a main objective behind the Indicator PP5 “Staffing policies of electricity ministry / department.”

However, the results of this indicator do not necessarily indicate that there is an ineffective staffing policy within the ministry. Rather, the assessment calls for the development of conflict of interest policy to reflect a new reality. Historically, the level of commercialization and private investments in the electricity sector has been relatively low, Barki Tojik, while the largest supplier of electric energy, is still owned by the government. So, both companies, the managing and the one that is managed, belong to a single source; therefore, there is no potential conflict of interest. But in the future this could create a problem in the electricity sector in Tajikistan.

### Reporting by the ministry

Accountability of work and transparency of reports submitted by the Ministry of Energy and Industry of RT serve as an important instrument to raise public trust in reforms and changes in the sector. The indicator PP10 “Annual reports of the Ministry of Energy” evaluates the presence, quality, transparency, and accessibility to the public of the ministry’s annual reports. The indicator evaluates the financial report and the report on ministry activity, level of accessibility of these reports for the public and qualitative characteristics of the report.

According to the general reporting requirements of state authorities of such a high level, the Ministry of Energy and Industry of Tajikistan has to prepare quarterly and annual accounting and statistical reports. However, such reports do not contain any financial analysis and do not serve the purpose of informing the public. These reports are usually submitted to the tax and statistical authorities. There are no regulations in place that would force public authorities to publish their financial reports, making them available to the public.

The ministry prepares its reports on a quarterly and an annual basis. According to the special order of the President of RT, the ministry has to hold a special press conference immediately after the board meetings. The vice minister of the energy sector informs the media and the public on the results of their work for corresponding quarter or year. These reports review the progress made as compared to the previous periods and future priorities. However, the full version of the report is not available to the public. Selected pieces of information are available through participation in the board meetings, through the media present at the press conference, and through the website and the ministry publications (usually published in a limited number of copies).

The limited access to the financial reports and the working progress reports does not allow people to discuss the efficiency of the work accomplished and expenditures made; it also reduces the level of public trust in the ministry.

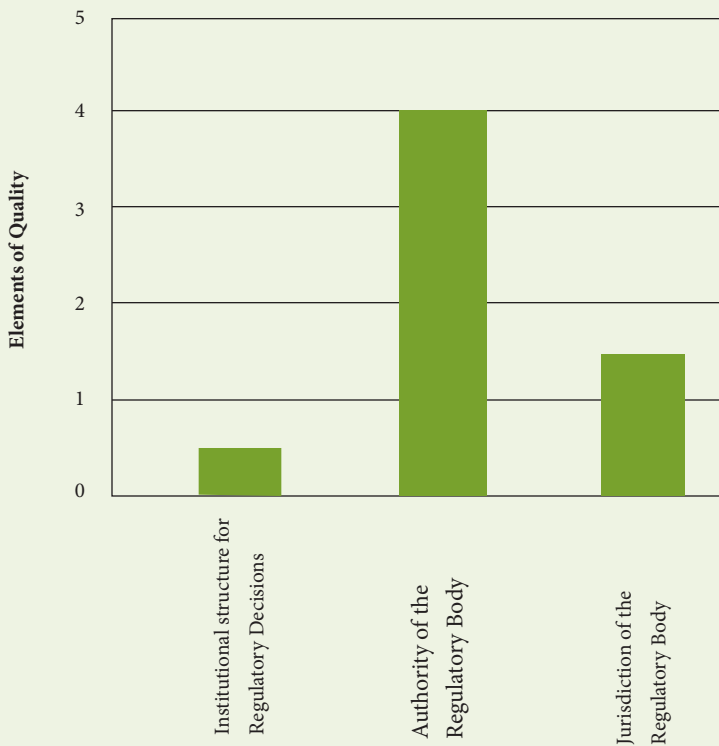
## Regulatory structure

Clear, transparent, legitimate, accessible, comprehensive regulation of the electricity sector allows for an effective decision making process that would take into account the interests of all stakeholders.

In Tajikistan, the regulation of the electricity sector is a complicated and a contradictory process.

The process of regulating the electricity sector is divided, in both law and practice, between various agencies. These agencies are the Government, Parliament, Ministry of Energy and Industry, and Ministry of Economic Development and Trade. Clear jurisdiction must define the range of functions entrusted to the regulatory bodies and whether the functions are clearly defined in applicable laws. However, the only law that regulates the electricity sector, the Law of RT “On Energy” describes legal authority given to the regulatory bodies without clearly defining its jurisdiction. The Ministry Acts are also very general in nature; they do not clearly define the way the ministries are related to the electricity sector because this sector is not considered as a separate activity. The Law of the RT “On natural monopolies” indirectly relates the Ministry of Economic Development and Trade to the regulatory body, but it does not clearly define the way the ministry can regulate the sector either. It is difficult to define the full range of functions to be entrusted to the regulatory body; jurisdiction of the regulatory relations is ambiguous. It is not clear which body is ultimately held responsible for regulating the sector.

Figure 2. Nature of regulatory relations in the electricity sector of Tajikistan



At the same time, according to the policy existing in the energy sector, the major functions in policy development officially belong to the Ministry of Energy and Industry of RT, as written in its mandate.

Article 7 of the law “On Energy” of RT, dated 10<sup>th</sup> of November 2000, introduced a new concept of a “Regulatory State Body of RT on Energy”, whose functions, as of today, are performed by the Ministry of Energy and Industry of RT. According to provisions in the above mentioned Article, the scope of the work of this regulatory body is outlined in the following table:

## Mandate of the Ministry of Energy and Industry:

- Implementation of state policy on energy;
- Planning and forecasting of demand and supply for all types of energy resources, calculating additional energy needed to adjust implemented programs;
- Evaluating the investment needs and potential sources of financing;
- Monitoring activities of the energy companies to assist in their transition to market economy;
- Assistance in attracting a steady flow of private investments to the energy sector and developing local and alternative energy sources, including a regulation of administration and ownership of waste energy and energy products at the end users’ level;
- Assistance in promoting competition and equal opportunities for all types of companies in the energy sector;
- Control over a compliance with the license requirements and conditions.
- Preparation and implementation of programs:
- For development of the fuel and energy sector;
  - For setting of service and efficiency standards, environmental issues, safety and consumer protection against negative impact of activities in the energy sector;
  - For energy saving;
  - Other duties provided by laws of the Republic of Tajikistan.

These duties are provided by the Regulations of the Ministry of Energy and Industry dated 30 June 2007.

The Ministry is endowed with functions to supervise, inquire about documents, and penalize. It has full access to the documents of all energy companies and institutions, and has the right to inquire and receive any related information to make its decisions. Penalties may be issued according to the Code of Administrative Responsibility. However, there are no records of penalties issued to companies in the electricity sector.

In practice, the real authority of the Ministry of Energy and Industry are set at the minimum, which does not allow it to implement “state policy in the energy sector.” The Law also prescribes Government duties in the energy sector that somewhat replicate the duties of the Ministry of Energy and Industry.<sup>1</sup>

The Government is the ultimate authority that makes significant decisions in this area. The way the regulatory functions are “scattered”, as well as the absence of clearly defined legal authorities of the regulatory bodies, result in a lack of a single policy and lead to an ineffective, complicated, and rigid governance in this sector.

A critical difference in the duties given to the Government in the energy sector and the duties given to the Ministry of Energy and Trade is that, according to provisions of Article 6 of this Law, the Government determines the “general price and tariff policy in the fuel and energy sector.” That means that the Government is the ultimate agency that sets tariffs. Other issues, such as the setting of service and efficiency standards, consumer protection, and environmental impact assessment, are included in mandate of both agencies.

According to Article 8, the Law also introduces the concept of the “Inter-agency consultative commission on energy.” The head of the regulatory body serves as a head of the commission, the commission members are appointed by the Government. The purpose of establishing such commission is to provide for a consultative discussion of issues related to energy. “The Inter-agency consultative commission should include the representatives of local public executive authorities, other ministries, agencies, scientific organizations, energy companies and consumers of RT.” Such commission does not manifest itself as a regulatory body but rather serves as a platform to discuss cross-sectional issues in the energy sector.

Thus, according to the basic rules in the energy sector, the role of the regulatory body is distributed between the Government and the Ministry of Energy and Industry. Other functions are divided in the following way:

- The Antitrust Enforcement Agency under the Ministry of Economic Development and Trade reviews the tariffs proposed by suppliers for efficiency and presence of some “monopoly” interests.
- The Agency for Standardization, Metrology, Certification and Trade Control under the Government of RT (Tajikstandard) evaluates for compliance with internal and interstate technical standards and norms.

1. These are the results received from using the RP 1 “Institutional structure of regulatory decisions”, RP  
2. “Authority of the regulatory body” and RP  
3. “Jurisdiction of the regulatory body.”

## Capacity of the regulatory body to make decisions and public participation

### TRAINING OF REGULATORY BODY MEMBERS AND STAFF

The electricity sector in many countries has undergone rapid changes in market structure, industry structure and ownership over the past few years. The capacity of regulators and their staff to deal with new and technically complex challenges needs to be enhanced on an ongoing basis through training and education. To ensure successful decision making, regulatory body members and staff have to be competent enough to deal with these complexities. It requires a clear and implemented policy that ensures that regulatory body members and staff receive proper training. The indicator RP 11 addresses whether regulatory members and their staff at all management levels have access to such training and educational opportunities.

Assessment of the existing system of training and advanced education demonstrated that a planned reform of public service envisions the creation of a system to train and educate public servants through the Institute of Advanced Training for Public Service, as well as through local and foreign institutions as a part of a national program. However, such training and education are uniform for all categories of public servants, carried out on an ad hoc basis, and do not account for the specifics of energy sector.

Members and staff of the ministry participate in different programs, seminars, and trainings on modern energy issues. Under the energy projects and programs, members and staff have an opportunity to advance their education. However, no multi-disciplinary approach is implemented by the ministry. The ministry does not follow changes in the industry and does not create opportunities for “ordering” specific courses to train its personnel. Training through the various external programs is irregular, and is not provided by the ministry. Therefore, knowledge enhancement at the ministry level is not a result of a thoughtful policy that corresponds to the realities of the energy sector and meets the internal needs of the ministries. The training is chaotic, disorganized and not goal-oriented.

### ASSESSMENT OF DECISION MAKING PROCESS

Substantive decision-making demands clear procedures, well established principles and methodologies. Energy has an overwhelming presence in the country; therefore, the regulatory decisions in the electricity sector may have a direct impact on social and economic development, political climate and living conditions of population. The indicator RP 15 “Clarity about regulatory procedures and substantive basis of decisions” assesses the extent to which the regulatory body operates according to

clearly laid out rules, regulations, and guidelines. RP26, “Orders and decisions of the regulatory body” assesses the quality of the reasoning provided to justify important decisions.

To apply these indicators, we have chosen a recent decision on tariff increase. The tariff setting policy is defined by the Law “On Natural Monopolies.” According to Articles 7, 8 and 9 of this law, the monopoly company has to submit tariff estimates one month before their introduction. In case of tariff revisions, the company has to submit economically viable calculations within one month. The authorized agency (Antitrust Enforcement Agency under the Ministry of Economic Development and Trade) has one month to evaluate them. If the authorized agency plans to hold public hearings, it must publish information on location and date in print at least three days in advance. Final decision on tariffs should be sent out not later than thirty days before their enforcement. The monopoly company has to notify consumers about changes twenty days before those changes take place. These are the procedures described by laws. While these procedures basically explain the timeline for tariff setting, they reveal very little about the substantive aspects of made decisions. There are no defined criteria in place that would determine a validity of the decision to increase tariffs.

The last decision on tariff increase was planned according to the Memorandum of Understanding on Introducing Energy Reforms (paragraph 5 of Article on tariff policy). Starting from 2007, the Government of RT promised to increase the average electricity tariffs by 10% on a quarterly basis to reach a financially viable level by 2010. However, it was impossible to find a detailed economic justification for this decision.

Thus, the formal decision-making process in the electricity sector is not clearly defined or transparent; it does not contain operational guidelines that would require the regulatory body to provide reasoning for its decisions.

### Tariff setting policies in the electricity sector

The tariff setting policy in Tajikistan is intended to implement the National Program of reforming the energy sector, approved by the Order № 417 of the Government of RT dated 27 October 1998. The main requirement for tariff size is that it has to cover the costs of energy production and distribution, and accumulate some reserves to develop the industry.

To attract investments to the national energy sector, electricity tariffs must balance different objectives such as efficiency, cost recovery for utilities, sufficient returns to ensure maintenance of existing and construction of new facilities, and energy safety. A

clear methodology for setting tariffs, reasonable and predictable tariff strategy are the main components of effective power supply. Absence of a clear tariff strategy leads to ignorance of potential threats and inflexibility in the electricity governance.

The Indicator RP 28 “Tariff philosophy” assesses existence of tariff philosophy and its efficiency. Tariff philosophy in this indicator means legal principles of setting tariffs, as stated in rules and regulations, instructions and provisions. However, we did not encounter a term “tariff philosophy” in any legal text of the RT. Also, there were no principles or guidelines for setting electricity prices.

One could identify potential principles of the tariff philosophy through the general requirements to have a socially oriented economy, as announced in strategic policy documents, Constitution, and other relevant laws. However this is no formal tariff philosophy. There are no legal documents defining the principles of the tariff setting. Some principles are covered by the Memorandum of Understanding on Introducing Energy Reforms (paragraph 5 of Article on tariff policy), signed with the Asian Development Bank and the World Bank, and the National Program of reforming the energy sector (approved by the Order № 417 of the Government of RT dated 27 October 1998).

Pricing tends to be dominated by concerns with cost recovery and fair returns. Relatively less attention is given to low-income constituencies, or to the impact on poverty. The degree to which regulators explicitly consider affordability and seek to understand the impact of tariff revisions by seeking the views or input of the consumers most likely to be affected by electricity price changes is an indicator of their attention to this key public interest concern.

The Ministry of Labor and Social Protection of RT tries to mitigate the adverse impact of high electricity prices on low-income consumers by providing them with welfare subsidies. The Ministry includes the subsidies in a budget it develops for the Ministry of Finance, based on data provided by the Ministry of Energy and Industry. But this is not a general principle to determine the affordability of electricity services. It is rather a government-led social policy for raising living standards and reducing poverty. Overall, the social policy targets low-income consumers and ignores other differentially impacted socio-economic groups.

**DUSHANBE, 16 October, 2008. Next tariff increase on electricity in Tajikistan is expected to be in force on January 01, 2009.**

Kurbonov D., the vice president of the Antitrust Enforcement Agency under the Ministry of Economic Development and Trade, announced the news yesterday.

According to him, current financial problems of the “Barki Tochik” and requests from the Asian Development Bank and the World Bank to develop the national energy sector force him to revise electricity tariffs annually.

**Rosbalt, 16/10/2008, News 10:32  
Energy tariffs in Tajikistan will be raised starting from 01 January 2009.**

Affordability of electricity prices for different consumer groups is an important issue to consider when setting electricity tariffs. The Indicator RP 29 “Participation in decision-making related to affordability of electricity prices” evaluates public involvement in decision making related to electricity prices. To evaluate the impact of tariff changes, the tariff setting process should include direct communication and consultations with the public, low-income or differentially impacted socio-economic groups, provide them with justification for proposed changes and, if possible, to coordinate actions according to public needs.

In Tajikistan, electricity pricing is done without seeking the views or input of consumers and the public cannot access any information on the decision-making process, only the final decisions on tariffs. There is no formal procedure in place to communicate with different consumer categories to get input on affordability of electricity prices. There are special mechanisms of public participation to get input from low-income or differentially impacted socio-economic groups in proposed tariff revisions. There are no mechanisms in place to involve civil society or public interest groups into discussion on tariff revisions.

There is no direct communication between the regulatory bodies and consumers from any group. No efforts are made to educate or communicate with low-income or differentially impacted socio-economic groups. The majority of population is not familiar with tariff setting principles and which fee category they fall into, not to mention an opportunity to provide input on proposed tariff changes. Lack of attention to these public interest concerns raises an issue of adequacy of decisions made with regard to tariff changes.

## RECOMMENDATIONS

Overall assessment of the most important aspects of the regulatory process, the role and functions of the regulatory bodies in the electricity governance process, revealed a number of factors that can have implicit negative impact on future development of the sector. In light of these factors and problem points, the following recommendations have been made:

### Specific recommendations:

- Develop special procedures in staffing policies of the Ministry to prevent potential conflict of interest and ensure impartiality and competency of new appointees;
- Develop rules to require the regulatory bodies to report on their work and financial situation, and to make these reports available to the general public through the websites and mass media;
- Introduce regular training programs that would correspond to the dynamics of the energy sector for the staff of the regulatory bodies;
- Create procedures for the public, academia and relevant civil society organizations to participate in debates on the regulatory decisions;
- Develop and implement rules to make public the most important documents and decisions of the regulatory bodies;
- Organize activities to educate or raise awareness among consumers about decisions of the regulatory bodies;

### Overall recommendations:

- Create a single regulatory body (as an independent government agency, or as a part of a corresponding ministry) that would have clear mandate, resources, opportunity to form a uniform regulatory policy, and capacity to take justified decisions in the sector;
- Develop the rules defining the tariff philosophy for the electricity sector, including clear principles to guide periodic tariff revisions;
- Develop the draft law of the RT on use of alternative energy sources, to hold discussions with the public, specialists, environmentalists and take measures to adopt such law in a fast manner in order to stimulate the use of alternative energy sources in the country;
- Create a special coordination agency under the President of the RT on energy sector development with representatives from the leading ministries, agencies, public and academic circles, and experts. Such a body should serve as a discussion platform on issues related to reforming the energy sector, constructing large-scale HPPs, solving hydro-energy issues, before any legislative decision is made.



### 3. Social aspects in the electricity sector

This section covers the social aspects of electricity sector policies in Tajikistan. To assess this aspect, we have chosen the most relevant indicators on policy and regulatory processes. There are six indicators in total: two on policy processes and four on regulatory processes. We have used the strategic documents of the RT to develop this assessment: National Development Strategy until 2015, Poverty Reduction Strategy for 2007-2009; Social Protection Concept of the RT and others. Also, we have used the analytic materials and reports of international organizations doing research in that area.

#### Social aspects of policy processes

Implementation of reforms in the electricity sector has many social considerations. Any changes in the electricity sector may immediately affect the interests of various consumer groups. Apart from that, during the implementation process, bodies forming the policy may become the first to see the results of reforms. These bodies can become a success factor in implementing planned changes. Therefore, the assessment of social responsibilities of executive agencies, their capacity to evaluate social implications of decisions they make, is important for the public and for the entire sector.

To study this issue, we have used two policy process indicators: PP7 “Clarity and transparency of the executive’s social mandate” and PP9 “Capacity of executive to evaluate social issues.” In these two indicators, “executive agency” refers to the Government and the Ministry of Energy and Industry, as the main executive bodies responsible for power sector policy. These indicators assess the mandate for social responsibilities, dedicated financial resources, and access to expertise on social issues.

Social responsibilities of executive agencies in the electricity sector are determined by a number of regulations and rules. Social responsibilities of the central executive agencies in the electricity sector are determined by the Article 6 of the Law of the RT “On Energy” and Regulation №605 of the Ministry of Energy and Industry of the RT, approved by the Governmental Decree on 28 December 2006. The Decree № 600 of the Ministry of Labor and Social Protection, approved by the Governmental Decree on 28 December 2006, and the “Rules of determining poor families, allocating compensations for exploited electricity and natural gas” № 379 from 01 August 2008 determine development of state social policy. The National Development Strategy until 2015; Poverty Reduction Strategy for 2007-2009; Social Protection Concept of the RT; and National Energy Sector Development Strategy, specified by the Decrees of the Government of the RT and the actions plans of the corresponding ministries, determine

the main (strategic) policy directions, scope and objectives of public agencies.

There are clear systems in place and guidance on cooperation with other authorities to help executive agencies perform social responsibilities. Cooperation of the Government and the Ministry of Energy and Industry with other public agencies is defined by the Article 33 of the Constitutional Law of the RT “On the Government of the RT” and Article 6 of the Provision on the Ministry of Energy and Industry of the RT.

Notwithstanding the fact that social responsibilities and related executive functions are defined by rules and regulations, they are quite general in nature and do not state clear objectives for executive bodies.

The Ministry of Energy and Industry does not directly perform social functions. The Ministry of Labor and Social Protection is entrusted with these functions. The Ministry of Energy and Industry participates in the process of formulating the social policy.

We could not find the main documents that determine social responsibility: the Law of the RT “On Energy”, Decree of the Ministry of Energy and Industry of the RT, on specialized websites. The Ministry’s website [www.minenergo.tj](http://www.minenergo.tj) contains earlier versions of the Law and of the Ministry’s Decree only. This part of the website has not been renewed since 2005. The offices of the corresponding agencies do not have these updated documents either.

Executive agencies do not report performed social services due to the specific nature of implementing the social programs. The Ministry of Labor and Social Protection plays a main role in performing principal social services in the electricity sector, such as compensation of poor groups. According to the general rules, the Ministry of Labor and Social Protection has to report on its work, including distributed compensations, at collegial meetings on a quarterly and annual basis. Such meetings are followed by press conferences.

Overall assessment of these two indicators demonstrates that the executive’s social role in the electricity sector is not adequate. Given the fact that the text in question is only a couple of lines in the above selected rules and regulations, the norms are declaratory in nature and do not clearly define social responsibilities. The absence of a detailed description of functions and social responsibilities leads to ambiguity among executive agencies on their social role.

## Social aspects of regulatory processes

Existing legislation in Tajikistan does not provide an unequivocal answer on how regulatory functions are distributed. Since regulatory functions are divided between several agencies, we assess the role of only two government agencies entrusted with the most significant regulatory functions in the electricity sector – Ministry of Energy and Industry, Ministry of Economic Development and Trade, and the Government of the RT.

We have chosen the following indicators to assess the social aspects of the regulatory process in the electricity sector:

- **RP 5 Scope and transparency of the social mandate of the regulatory body.** Indicator assesses the scope of the regulator’s environmental and social mandate, as well as the degree to which these can be accessed by, or are communicated to, the public.
- **RP 13 Regulator’s capacity to evaluate social issues.** Indicator assesses the adequacy of designated financial resources, and access to expertise on social issues.
- **RP 16 Regulator’s response to environmental and social claims.** Indicator assesses the exercise of the mandate of the regulatory bodies to address environmental and social claims.
- **RP 22 Institutional mechanisms for representing the interests of weak groups.** Indicator assesses the opportunities for representing the interests of socially weak groups (for example, people living in remote mountain areas with low income level).

## Overall characteristics of social aspects in the electricity sector

Since independence, many social benefits to certain categories of population have been canceled or converted to monetary forms as a result of the transition to a market economy. This transition is still in progress. The Poverty Reduction Strategy for 2007-2009 develops a further monetization of social benefits. However, due to the current financial crisis, implementation of certain parts of the plan has been postponed.

There are no regulations allowing the regulatory body to directly participate in social issues in Tajikistan. The ministry of Labor and Social Protection is one of the strongest institutional mechanisms to address the needs of weaker groups in any decision making process.

According to Regulation № 600 of the Government “On approving the Decree of the Ministry of Labor and Social Protection of the RT”, this ministry is a central executive body in Tajikistan to develop and conduct a uniform government policy and set a legislative framework on such issues like:

labor, employment, adult education, internal (voluntary) and environmental migration, social insurance, pension benefits and social protection, monitoring public agencies subordinate to the Ministry in corresponding areas. The Ministry manages the oblast, town and rayon divisions and departments of social protection, which represent the structural subunits of the corresponding local (oblast, town and rayon) executive agencies. The Ministry works in cooperation with central and local executive agencies, public and other organizations. The social work of the Ministry is determined by a number of program and strategic documents, which include the following:

- Social Protection Concept of the RT № 783, approved by the Government of the RT on 29 December 2006
- Decree of the Government of the RT №379 “On strengthening social assistance to poor families and individuals” dated 01 August 2008
- “Rules of determining poor families, allocating compensations for exploited electricity and natural gas” № 379 approved by the Governmental Decree on 01 August 2008

According to the above mentioned normative documents, around 240,000 poor families (forecast for 2009) will be allocated and paid compensations for exploited electricity and natural gas in the following way:

- Each town/rayon/village should create its own committees to self-manage villages and settlements with respect to housing and public utilities. These committees should include public activists, representatives of public organizations, employees of local branches of “Energosbyt” and “Tajikgas”, divisions of the Ministry of Energy and Industry of the RT. The composition of the committee must be approved by the head of local government.
- Such a committee collects required documents and forms lists of compensation recipients. This paperwork goes to the rayon committee. The latter double-checks the lists of recipients and approves them. Compensation is regularly paid once in two months within one year. Every 6 months compensation recipients have to submit additional information on any changes to their financial situation.
- The compensation size depends on established quota for electricity and gas usage at a corresponding season (April-September and October-March). The quota varies according to the season of the year and established tariffs on gas and electricity. For example, the maximum amount in a period from April to September is fixed at 100kWh per month, from October to March – 200kWh per month.
- Every poor family included into the list of compensation recipients is reimbursed for a certain amount of exploited gas and electricity.

**TABLE 4. Budget Expenditures on Compensation Expenses (2007-2009)**

Nº	Title	Number of families/ Compensation amount in 2007	Number of families/ Compensation amount in 2008	Forecast for 2009	Paid for January- February of 2009
1	Compensation for exploited electricity	323,214/ 25,567,628	265,000/ 28,750,000	241,000/ 36,420,000	1,735,255
2	Including compensation for exploiting gas	7,670,288	8,625,000	10,926,000	1,056,215
	<b>Total</b>	33,237,916	37,375,000	47,346,000	2,791,470

Compensation to poor families (or single individuals) is determined at the place of their residence. The monthly income of each family member (individual) should not exceed 50% of the minimum wage. Large families that have lost a breadwinner and have disabled children, families with two or more disabled family members, families with a disabled head of family, aged people and disabled persons living alone in poor financial conditions compared to other people, have a priority for being compensated. At the same time, the number of poor families and individuals should not exceed 20% of all officially registered families in every administrative area.

The results of budget expenditures on compensation expenses are presented in Table 4.

As you can see from the table, the volume of compensation payments increases annually, while the number of population falls. This can be explained by the following:

- increase in tariffs on electricity and gas,
- An improved process for allocating compensation and defining criteria for selecting poor families,

Also, disabled veterans of World War II (as of 01.01.2009 their number was 3214 people) are given additional payment of 15 somoni per month to their pension, as a compensation for electricity and gas usage. Expenses on such compensations are usually included in the annual state budget.

The process of developing social policy in Tajikistan allows for public participation in the decision-making process. According to the Law of the RT “On Social Partnership, Contracts and Collective Agreements”, public organizations and unions that represent public interests in a certain area have a right to consult and sign the labor contracts and collective agreements. For example, the existing General Agreement for 2009-2011, approved by the Governmental Decree № 71 on 02 February 2009, allows for measures to develop and implement policy in a number of industries; it also determines the rights and responsibilities of parties signing the agreement. The General Agreement is one a platform to coordinate actions on solving social issues. Also, there are Coordinating Committees and Councils created under the Government and certain industries in Tajikistan. They include, for example: Interagency Committee on Migration Issues under the Government of the RT, Commission on Child Rights, Budget Committee, Advisory Council under the President on Investments, Council for supporting reforms in the healthcare sector under the Ministry of Health Care, Public Advisory Committee on Social Protection under the Ministry of Labor and Social Protection of the RT and others. The above mentioned agencies have a right to discuss problems and develop recommendations to solve them. The work of these consultative agencies proves the existence of different forms of civil dialog and possible ways to coordinate the actions of government bodies and civil society.

## Role of regulatory bodies in defining social aspects

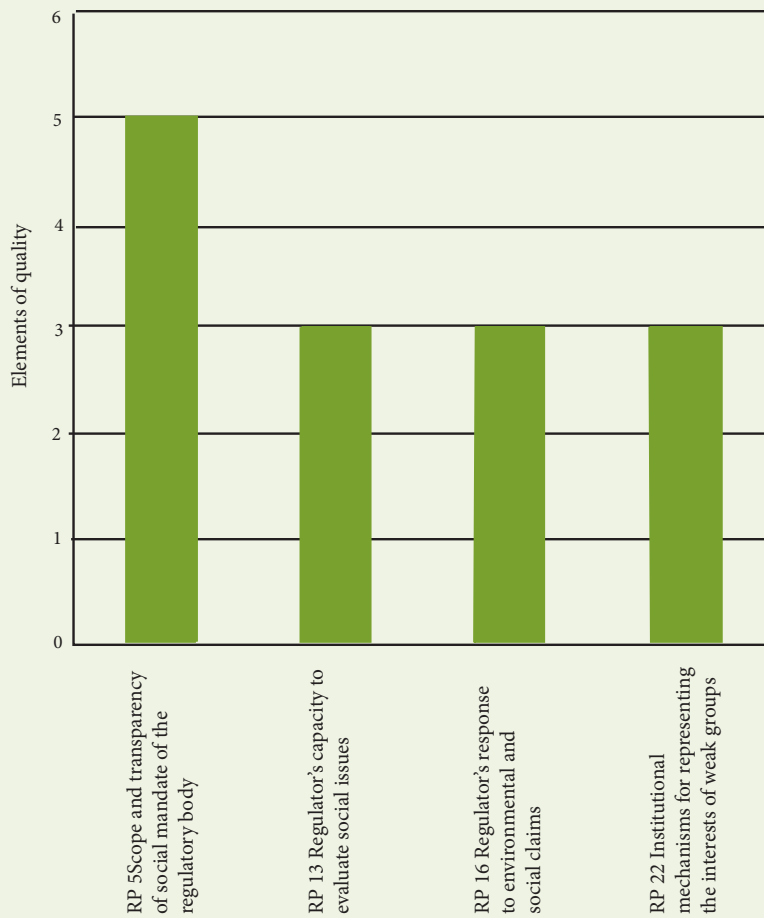
The results of applying Indicator PP5 demonstrated that social responsibilities are included in the mandate of the following regulatory bodies in the electricity sector: the Government, the Ministry of Energy and Industry, and the Ministry of Economic Development and Trade. However, the priorities and the scope of social responsibilities for the sector as a whole are not clearly defined for any of these regulatory bodies.

Existing normative acts (the Law of the RT “On Energy”, Ministerial decrees and instructions) contain some provisions assigning such responsibilities without providing a clear mechanism for their implementation. The Government of the RT, the Ministry of Economic Development and Trade, and the Ministry of Energy and Industry of the RT perform the functions of the regulatory body on social aspects in the electricity sector. In certain cases, the regulation is carried out simultaneously by all agencies. Therefore, it is hard to define the social mandate of each agency in each particular case.

Indicator RP5 assesses transparency of the regulator’s social responsibilities for the public. As mentioned before, legislative acts do not provide detailed description of the regulator’s social responsibilities. Social responsibilities are defined by general laws and regulations of the regulatory bodies, but the degree of accessibility of these documents is very low. Corresponding normative acts (the Law of the RT “On Energy”, Ministerial decrees and instructions), all decisions of the Government and ministries with legal power have to be published in the annual government bulletin “Regulations and Orders of the Government of the RT and the President of the RT.” However, none of the three agency websites provide these documents.

Legally, all the laws must be published in the newspapers. Materials should be provided for free, not commercially. Nonetheless, the opportunity to find them for free is quite limited. These materials can only be found in commercial legal databases. There are no significant efforts made by the regulatory bodies to make sure information reaches affected and vulnerable groups. Indicator RP13 assesses the capacity of the regulatory bodies to evaluate social issues. Elements of quality for this indicator include dedicated financial resources, access to expertise, cooperation of designated point person with other agencies, and knowledge enhancement in this area. Even though the regulatory bodies are charged with social responsibilities, they do not have the capacity to adequately evaluate such issues. Such concern was never specifically addressed, and that explains an absence of a designated point person, training opportunities and dedicated financial resources to conduct research on social issues. The only available instrument to conduct such evaluation is through organizing the interagency and inter-ministry discussions and inviting experts from other ministries and agencies. Apart from receiving information on related issues, both of the above mentioned ministries are allowed to create coordinative, consultative and expert bodies (councils, committees, working groups), including interagency, bodies, in particular industries. Indicator RP16 assesses the regulator’s response to social claims of affected groups. From previous indicators, we can see that notwithstanding the presence of social responsibilities in the regulator’s social mandate, a corresponding capacity to evaluate social impacts of taken decisions is very low. That is why all the social claims of individuals and legal entities are re-directed to the Ministry of Labor and Social Protection, which is the main agency to address social functions. Apart from that, according to the staff of the ministries, people send requests to explain the norms of a particular law, but not the social impacts of various decisions. It is hard to apply this indicator due to the absence of a single regulatory body that would make uniform decisions in this sector, assess the potential impact of regulatory decisions, and take responsibility. Social responsibilities are assigned to different components of the entire regulatory process.

**FIGURE 3. Assessing the role of the regulatory bodies in defining social aspects**



Indicator RP22 assesses institutional mechanisms for representing the interests of weak groups. Using this indicator, we have found that direct participation of consumer representatives in debates on regulatory decisions is not regulated by law. The role of the regulatory bodies in evaluating social impacts of their own decisions is minimal. However, there are a number of other institutional mechanisms to represent the interests of weaker groups:

- As a rule, specific submissions on behalf of weaker groups are filed by CSOs, and elected representatives from the local Mazhilis and the Mazhilis Oli of the RT. Also, the Heads of makhallinski councils and dzhamoats are allowed to review citizens' petitions at their place of residence. However, staff of the regulatory bodies do not make any submissions on behalf of weaker groups.
- The Ministry of Labor and Social Protection is an authorized body to represent the interests of weaker groups in the Government. The Ministry has to give its approval on decisions related to the financial situation of certain population groups or decisions that carry social implications. The Ministry has to develop state social policy, determine the needs of weaker groups and ways to address them. That includes provision of social services, and financial and social support guaranteed by the Government. Accordingly, the Ministry is always invited to discuss the issues that carry social implications.
- Committees to allocate compensations for exploited electricity and gas are created by the local executive authorities. They serve as a unique mechanism to represent the interests of weaker groups. According to the approved procedure, such committees include not only government representatives but also representatives of civil society and local self-administration, which can represent the interests of weaker groups.

The analysis of social aspects and social responsibilities of the regulatory bodies demonstrates that there are certain mechanisms in place to improve social policy. But the regulatory bodies do not directly participate in that process.

## RECOMMENDATIONS

Direct involvement of the regulatory bodies in social issues is minimal. Notwithstanding the formal social responsibility of the regulatory bodies (the Ministry of Economic Development and Trade, the Ministry of Energy and Industry), in reality the Ministry of Labor and Social Protection is held responsible for evaluating social impacts and implementing the social programs. Participation of the regulatory bodies is limited by discussions initiated by the Ministry of Labor and Social Protection. The regulatory bodies do not have specific divisions, designated point persons, or research on studying and implementing social aspects. Also, there are no financial resources dedicated for this purpose. The current situation can lead to ineffective evaluation of social impacts associated with regulatory decisions due to the lack of direct involvement of the regulatory bodies in such evaluation. On the other hand, the work of a designated body to assess social impacts cannot be efficient without a well-defined coordination with an authorized body that makes regulatory decisions.

This is why an issue of wider and more direct involvement of the regulatory bodies in evaluating social aspects is important for the sustainable development of the sector.

### Overall recommendations:

- Improve the institutional structure of the social protection bodies, enhance a coordination among such bodies and try to involve them in the regulatory decision making process;
- Eliminate a duplication of authorities and functions, simplify a multi-level process of document approval, eliminate complicated procedures of processing the requests and making decisions on assistance and access to social services;
- Create an Advisory Council on Social Protection, with a clear strategy and measures to implement the Concept of Social Protection. It should involve the representatives of all relevant organizations, the public, non-governmental organizations and academia;
- Create consultative committees (as a community liaison office) at the town/rayon level with involvement of the deputy corps and public organizations.

### Recommendations to the Government of the RT

- Research an opportunity to create a consultative social protection body under the Government of the RT;
- Develop measures to strengthen targeted support to poor and weak groups as a part of energy tariff regulation;
- Ensure transparency of decision-making process and the involvement of civil society representatives in debates

## Recommendations to civil society

- Expand participation of civil society organizations in the energy sector
- Raise the scientific capacity of civil society organizations to engage with problems of the electricity sector;
- Organize a system of public control over compliance with Government rules on access to and distribution of energy
- Hold public hearings on different aspects of the energy sector, including effective investment cooperation with the donors and development partners.

## Recommendations to donors

- Take into account the position of civil society while discussing and selecting investment projects in the electricity sector;
- Ensure transparency and provide access to information on different stages of projects development, implementation and evaluation;
- Consult with the government and civil society on the development of a common sector strategy.

## 4. Public and mass media participation in governance of electricity

The section “Public issues and mass media” was created by selecting electricity governance indicators relevant to Tajikistan. This section covers 14 indicators: 7 policy process and 7 regulatory process indicators. The report is divided into two parts. At the beginning of the research, we found that Indicator PP36 is not applicable to Tajikistan. This indicator is designed for countries that have less than 80% of electrification. During the Soviet Union period, electrification in Tajikistan was raised to 100%, which means that almost 100% of population had physical access to electricity supplies.

### Public participation in policy processes

From the first days of independence, the public of Tajikistan has been actively involved in the social, political, and economic life of the country. Since government, laws and social-political institutes were in their initial development stage, such participation was informal. However, with the formation of a legal framework, public participation developed various forms and principles.

## PUBLIC ORGANIZATIONS

One of the most popular forms of participation forms is through non-profit associations - Civil Society Organizations (CSOs). CSOs started forming during the 1990's. At the beginning of the year 2008, there were around 3200 CSOs.

The new version of the Law “On Public Organizations” dated 12 May 2007, which replaced the old version dated 21 May 1998, required public organizations to have mandatory re-registration. After the re-registration, there were only 1,500 CSOs left.

However, it does not mean that the adoption of this law caused a decline. Experts who carried out sociological research at that time believe that organizations that were existing “on paper”, or were dormant, simply did not submit the re-registration.

When public organizations do contribute to development in Tajikistan, this contribution is not significant or comprehensive. The reasons for such weak participation are: insufficient level of technical-analytical skills, lack of financial resources, supremacy of government policy in decision making, lack of a clear independent civil position on CSOs side, and, finally, low level of civic activity level among the general population.

## PUBLIC COUNCIL

The signing of an Agreement on Public Consensus on 09 March 1996 served as an important milestone in peace creating efforts in Tajikistan. Leaders of around 30 public organizations, political parties and movements, youth, female, scientific and other organizations signed a collectively developed text of the Agreement. The Agreement was also signed by the President, E. Rakhmonov, and the Head of Majilis, Oli S. Radzhabov. The Public Council was created to implement the provisions of the Agreement. This Council is a coordination body represented by experts and consultants from all national communities of Tajikistan, public organizations, and social movements. The Public Council carries a lot of weight; its opinion counts in the eyes of Parliament and executive authorities. On the other hand, according to the survey of public organizations, most CSOs do not work with them because they are not aware of its existence.

Nevertheless, according to the results of the research, the Public Council did participate in policy debates to introduce new legislation.

## OTHER FORMS OF PARTICIPATION

Ideally, each adopted law should take into account the concerns of the public or its representatives. Delegates are the representative of the public. The main form of public participation in policy processes is through the elected delegates. However, it is hard to evaluate the extent to which elected officials reflect the will of their constituents, or to which citizens influence decisions on certain laws through this mechanism.

Another participant in decision-making process in Tajikistan is academia. However, such participation is neither active nor self-initiated, but is prompted by the Parliament. The Academy of Sciences of the RT is the main participant.

## PUBLIC PARTICIPATION IN POLICY PROCESS

Public participation was assessed using indicators to evaluate the capacity of CSOs, quality of media coverage of reforms, public disclosure of information, and effectiveness of public participation process.

CSOs do not have a mechanism in place to regularly influence policy proposals, neither have they attended meetings on a regular basis. However, CSOs use every single opportunity within the existing legislation to play a role in setting an agenda that relates to the interests of different population groups. The most active CSOs are women's organizations and environmental CSOs, but these organizations were not directly involved in discussion of energy related issues. However, this participation is ad hoc and is carried as a part of various projects. Academia and professional unions participate on a more regular basis, but even then, usually in a reactive rather than proactive manner.

The process of obtaining information on decisions taken at the highest level in the electricity sector, and energy sector as a whole, is complicated. We have sent a "hidden" request to the Ministry of Energy and Industry of the RT, both from an individual and a CSO. We did not receive any response within the corresponding period (one month, according to the Law "On public requests" of the RT), nor did we receive a response by the end of the research period. Up to date information is available through the commercial sources (such as commercial legal databases) only. (For example, the database "Pravo-Consultant", which is quite expensive for an average person.)

The quality of media coverage regarding electricity reforms is constrained by mass media itself. For example, starting in January 2009, the electricity tariffs were increased by 25 percent. The most popular print materials in Tajikistan were monitored, namely the newspapers from December 2008 to the end of January of 2009. Coverage was found to be one-sided and had a purpose of informing people of decisions already taken rather than stimulating debate. Almost all newspapers covered the tariff increase with a short news item, while the main headline was an appointment of a new head of "Barki Tajik" holding. The reason for such poor coverage is that this tariff increase was a planned event, therefore, all newspapers had covered it before. Nevertheless, the research results show a lack of sufficient attention to be paid to such important decision as tariff increase.

## TRANSPARENCY OF INTERNATIONAL FINANCIAL INSTITUTIONS

The indicators assess the transparency of the largest investment partners in the energy sector - the World Bank and Asian Development Bank.

### **The number of non-governmental organizations in Tajikistan became three times less 06.01.2008. Deutsche Welle (extract)**

Rustam Khaidarov, an independent sociologist, believes that a three-fold decline in the number of public organizations will not significantly affect civil society activities in Tajikistan. Even more, he believes that a re-registration of CSOs will help see the real situation with Tajik CSOs because most of those created in earlier years are "deadheads." But those CSOs that professionally work in specific areas are in demand and will work successfully.

.....  
"This is true that not all CSOs existing in Tajikistan actively participate in public life and prove themselves as reliable advocates in solving social issues. According to last year's public opinion survey about CSOS, people, including the representatives of business and government sector, are not familiar with the work of CSOs, and have a poor understanding of their role and significance. Thus, there is an ambiguous attitude towards CSOs. 42 percent of respondents are satisfied with the work of CSOs in their regions, but 32 percent were dissatisfied with the local CSOs".

"Respondents from Dushanbe mentioned that a majority of these organizations focus their work around certain target groups – and do not solve real issues. There have been some facts of corruption, and often times CSOs appropriate received grants. Respondents from Kulyaba town believe that there are no organizations defending human, civil, and consumer rights. They say that most CSOs are random in their nature and do not help solve public issues," – explains Nodira Rakhmonberdiyeva, one of the authors of the research, a head of the training programs of the National Association of Independent Mass Media of Tajikistan.

.....  
*Nigora Bukhari-zade, Dushanbe*

The World Bank and Asian Development Bank in Tajikistan operate according to long term (three-five year) strategies coordinated with the main partners in the country. These partners are the Government (Executive Office of the President of the RT, Ministry of Finance, industry ministries and agencies). Every year the banks update their operational strategies for the country as required. To include certain projects into the operational strategy, the banks receive a request from the Government, evaluate it, and discuss all the aspects with the Government. The country strategy of the banks is negotiated with the Government, donors, and other stakeholders and gets approved by the Board of Directors of the banks. The Asian Development Bank provided more than US\$144 million, and the World Bank provided around US\$37 million to the energy sector in Tajikistan.

To assess transparency of donor engagement through policy loans and technical assistance, we sent disguised requests to the country offices of the Asian Development Bank and the World Bank. We received a response to our request sent to ADB on behalf of an individual and a CSO within the reasonable time determined by legislation. The letter, signed by the head of the country office, referred us to the bank website. Information on the website was provided in English only. No letter came from the WB office within two months.

Meetings and interviews with the heads of the bank country offices showed that they recognize a lack of public awareness about their activities. They promised to take measures to raise awareness, translate their website materials and share

**TABLE 5. List of projects in the Asian Development Bank in the energy sector of Tajikistan**

Project Name	Project Number	Amount (\$ million)	Date of Approval	Type of Assistance
<b>Loans and Grants of the Asian Development Fund</b>				
Reconstruction of the Nurek 500kV Switchyard	0124	54.77	17 November 2008	Grant
Regional Power Transmission Interconnection	2303	21.5	19 December 2006	Loan
Emergency Baipaza Landslide Stabilization	1912	5.3	10 September 2002	Loan
Power Rehabilitation	1817	34.0	20 December 2000	Loan
Post-Conflict Infrastructure Rehabilitation Program	1651	20.0	10 December 1998	Loan
<b>Technical Assistance and Grants</b>				
Strengthening Corporate Management of Barki Tajik	4908	1.5	19 December 2006	Technical Assistance
Community-based Rural Power Supply	9089	2.0	15 March 2006	JFPR grant
Power Rehabilitation Phase II	4596	0.5	10 June 2005	Technical Assistance
Development of Community-based Micro-Hydropower Supply in Remote Rural Areas	4423	0.8	5 November 2004	Technical Assistance
Improving the Accounting and Financial Management Systems of the Subsidiaries of Barki Tajik	4232	0.4	2 December 2003	Technical Assistance
Development of an Energy Conservation Program	3981	0.1	8 November 2002	Technical Assistance
Hydropower Development Strategy	3956	0.6	30 October 2002	Technical Assistance
Improving Barki Tajik Billing and Collection System	3600	0.5	20 December 2000	Technical Assistance
Introduction to International Accounting Standards at Barki Tajik	3601	0.5	20 December 2000	Technical Assistance
Power Sector Development	3207	0.9	17 June 1999	Technical Assistance
Institutional Strengthening of the Transport and Energy Sectors	3114	1.5	10 December 1998	Technical Assistance

**TABLE 6. List of projects in the World Bank in the energy sector of Tajikistan**

No	Project Name	Project cost (million USD)	WB Loan/Grant (million USD)	Approval Date	Closing Date	Internet address
1	Energy Loss Reduction Project	\$ 30	\$ 18 (\$15 million as a loan + \$3 million as a grant)	12/07/2005	06/30/2012	<a href="http://web.worldbank.org/external/projects/main?pagePK=64283627&amp;piPK=73230&amp;theSitePK=258744&amp;menuPK=287280&amp;Projectid=P089244">http://web.worldbank.org/external/projects/main?pagePK=64283627&amp;piPK=73230&amp;theSitePK=258744&amp;menuPK=287280&amp;Projectid=P089244</a>
2	Pamir Private Power Project	\$ 26.4	\$ 12.5 (\$10 million as a loan + \$2.5 million as a grant)	03/31/2003	12/31/2010	<a href="http://web.worldbank.org/external/projects/main?pagePK=64283627&amp;piPK=73230&amp;theSitePK=258744&amp;menuPK=287280&amp;Projectid=P075256">http://web.worldbank.org/external/projects/main?pagePK=64283627&amp;piPK=73230&amp;theSitePK=258744&amp;menuPK=287280&amp;Projectid=P075256</a>
3	Energy Emergency	\$ 6.5	\$ 6.5 (grant)	11/26/2008	12/31/2010	<a href="http://web.worldbank.org/external/projects/main?pagePK=64283627&amp;piPK=73230&amp;theSitePK=258744&amp;menuPK=287280&amp;Projectid=P110555">http://web.worldbank.org/external/projects/main?pagePK=64283627&amp;piPK=73230&amp;theSitePK=258744&amp;menuPK=287280&amp;Projectid=P110555</a>
	<b>TOTAL</b>	\$ 62.9	\$ 37			



more information in the future. It is difficult to assess public participation in discussing the initiatives of the international players in country's energy sector given the inaccessibility of the banks. According to the research, none of the project stages (development, implementation, monitoring, reporting and so on) are exposed to the public.

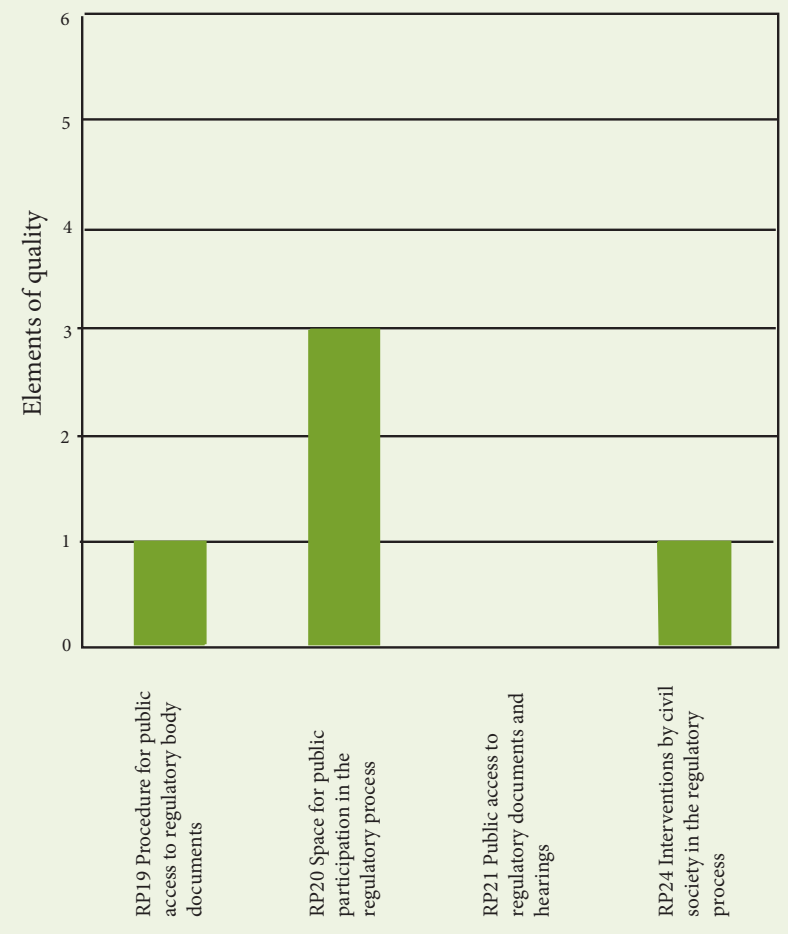
The process of hiring consultants at the WB and ADB is internal, and information on it is not available to their main partner: Government. Most consultants are hired from abroad. There is a fear that, by attracting consultants from abroad, banks may impact the country's policies.

## Public participation in the regulatory process

### APPLYING THE INDICATORS ASSESSING PUBLIC PARTICIPATION IN PARTICIPATION IN THE REGULATORY PROCESS

The indicators assessing regulatory process have been applied to two ministries, the Ministry of Energy and Industry and Ministry of Economic Development and Trade. This approach was based on a Ministerial Decree. According to that Decree, the Ministry of Energy and Industry serves as the state body that defines policy in the energy sector. The Ministry of Economic Development and Trade plays a role in setting tariffs. We have assessed the ministries on four indicators evaluating the regulatory process: Indicators RP 19, 20, 21, 24, which assess public access to documents, space for public participation, and interventions by civil society in the regulatory process.

FIGURE 4. Public Participation in the regulatory process



### Ministry of Energy and Industry

According to Article 7 of the Law of the RT "On Energy" dated 10 November 2000, the Ministry of Energy and Industry is an authorized government body of the RT on energy. However, the authority of the Ministry of Energy and Industry is quite limited. The Ministry's only regulatory decision is issuing licenses.

Our research found that:

- The ministry does not have a special procedure in place for the public to obtain information. We were not able to obtain information from the Ministry of Energy and Industry using the general procedure to send disguised requests. The requests were sent on behalf of an individual and a CSO. We did not receive any response within the period established by law (one month), nor as of today.
- Not only have we not received any response, it has been found that the Ministry does not have the information we requested. Starting from creation of the Ministry of Energy and Industry, two normative acts (farmoish) with external regulatory power have been issued. One covers licensing, and the other covers the work of the Electric Inspection Service. Other regulatory documents are of internal character and distributed only within the Ministry and its departments. In fact, the Ministry is not given the authority to decide the most important issues in the electricity sector – setting tariff policy, control over contractual agreements, issues of interaction between suppliers and consumers, and rules and regulations. It explains why no one has sent any request letter to obtain information and regulatory documents.

- The system of decision making in the Ministry of Energy and Industry does not provide space for collegial decision making through formal meetings and forums and so on. All decisions are prepared as a part of the day-to-day work of the corresponding ministry departments, in coordination with other departments if necessary, and are later approved by the management. Therefore, there is no physical participation of the public in the decision making process at the Ministry level at all. Collegial meetings, which are held on a regular basis, serve as internal meetings summarizing results for every quarter and year. Decisions taken within the reporting period must get approved by the Minister. At the same time, according to the Ministry, public access to and participation in collegial meetings is not prohibited.
- Having evaluated the quality of dissemination of Ministry's decisions, we have found that the orders and decisions of the Ministry of Energy and Industry, as mentioned above, are not considered as external in their nature. Therefore, there is no procedure to disseminate Ministry's decisions. Information on orders and decisions is also not available through the Ministry's website (<http://www.minenergo.tj>). The public can learn about the work of the Ministry through the press-conferences.

As a result, public participation in the regulatory process at the Ministry level is almost impossible due to two main reasons:

1. Decisions and normative acts of the Ministry, except the two mentioned, are of internal character.
2. No decisions at the ministry level are taken through the meetings and debates; therefore, a "physical" intervention into the process is impossible.

Nevertheless, the decision making process is not closed to the public. The representatives of the public have the right to request any information from the Ministry on the general terms, but they do not use this opportunity. All the efforts to obtain information as a result of this research were unsuccessful. The public participates in the collegial meetings of the Ministry from time to time. Apart from that, the Ministry has to announce the results of its work at a press-conference held quarterly. But the nature of the Ministry's work does not attract sufficient public attention for the public to come to collegial meetings.

## Ministry of Economic Development and Trade

The Ministry of Economic Development and Trade plays a role in setting tariffs in the electricity sector. Like the Ministry of Energy and Industry, this ministry has no special procedure in place to disseminate information. However, information on electricity tariffs is information that individuals and organizations in the electricity sector might be highly interested in. Based on the authorities given to the Antitrust Enforcement Agency, the Ministry makes recommendations on electricity tariffs. Individuals and organizations sent requests to the Ministry several times within the last year. However, most of the time, these requests are narrow in a sense that they inquire about an explanation of tariffs for certain categories of customers only.

As mentioned earlier, individuals and organizations have a right to participate in the meetings. But as a Ministry employee mentioned, only invited individuals participate in collegial meetings. Also, there is no special procedure for public participation in decision making process. Participation of individuals and civil society organizations in collegial meetings cannot be considered an intervention to the regulatory process. This is especially true, given the fact that the Ministry is not the ultimate agency to approve such issues as a tariff increase. It simply provides its "opinion" on tariff appropriateness and whether it conforms to the antitrust legislation, level of economic development, and affordability to consumers.

Orders and decisions of the Ministry of Economic Development and Trade are more of external nature when compared to the Ministry of Energy and Industry. During the research, the website of the Ministry of Economic Development and Trade [www.met.tj](http://www.met.tj) was under construction, thus it was not available for analysis. Otherwise, both ministries have similar policies to disseminate their decisions. Information on taken decisions is disseminated through the mass media; however, the decision itself (order, regulation, farmoish) is not accessible by a regular individual.

## CONSUMER SERVICE AND QUALITY OF SUPPLY

Starting from January 1999, power quality limits in public electrical systems (GOST 13109-97) came into operation. This standard was recognized by the International Council on standards, metrology and certification (protocol № 12—97 dated 21 November 1997). This standard determines the indicators and norms of quality of electricity in public electrical systems of alternating three-phase and one-phase current with 50Hz frequency in points connecting different consumers of electricity, or receiving terminals. This standard is mandatory for all electricity supplied in Tajikistan. However, there has been no

certification of electricity produced in Tajikistan. It is sold without the required certification. Therefore, there is no performance monitoring.

The system of state and public consumer rights protection is quite rigid. It has been formalized in the law “On consumer rights protection” dated 09 December 2004. The Government approved implementing regulations for this law which included ten supplements to the Law “On Consumer rights protection.” Other norms of civil rights law also address consumer rights protection.

But there are no real bodies to implement these norms in Tajikistan. The responsibility for state consumer right protection is included into the functions of the Ministry of Economic Development and Trade. According to the informational agency “Asia plus”, the employees of the Ministry address consumers’ requests about the electricity sector to the public organization for consumer rights protection (<http://www.asiaplus.tj/Articles/101/3090.html>, dated 19.02.09). There are only two public organizations to protect consumer rights. Only one of them, the Consumers Union of Tajikistan, has a service to accept individual requests. Due to financial constraints, this service is provided in three major cities of Tajikistan only. This does not allow us to cover all consumers. Apart from that, as judicial practice demonstrates, it is difficult to pass court decisions due to the absence of evidence base and performance standards. This is why the functioning of such system, notwithstanding the presence of request procedures, consumer rights protection systems and an adequate legislature, is very weak.

## RECOMMENDATIONS

This research has demonstrated that public participation in policy and regulatory decision making process is minimal due to many reasons. Based on the results, the research group suggests the following recommendations to improve the sector and raise public participation in policy and regulatory processes in the electricity sector.

- Provide a legal framework for public participation in the decision-making process in the electricity sector. That would allow for raising not only public participation but also trust and support among the population of reforms in this sector. Such measures include a mandatory debate on laws in the mass media, key documents posted on the Parliament website, public consultations, hearings, and public participation in the Parliament sessions.
- Develop special procedures for public participation in collegial meetings, meetings of the inter-ministry committees at the level of the Ministry of Economic Development and Trade, and Ministry of Energy and Industry. These procedures should also cover the procedure for requesting, receiving and using information on decisions in the electricity sector.
- Provide a user-friendly network of websites of the ministries, and develop electronic databases for external rules, regulations and decrees of the ministries.
- Oblige the International Financial Institutes operating in Tajikistan to provide project information in an easily accessible form, both in Russian and Tajik, through their websites, meetings, and consultations. Information on different stages of project development, implementation and evaluation should be available in order to achieve higher transparency and accountability in the electricity sector.

## APPENDIX NO. 1

### Baseline survey indicators:

#### *Note*

A set of quantitative indicators that map key facts about the electricity sector is essential in order for our qualitative assessment of governance to be meaningful, because the sector's governance processes must be set in the context of the present realities of its condition. To this end, the indicator toolkit includes a set of baseline survey indicators, which map key facts about the national electricity sector to provide a snapshot of its condition. This section collects key facts about:

- A. The structure of the national electricity sector
- B. Policy and legislation processes
- C. Regulation
- D. Generation
- E. Access, transmission and distribution
- F. Economic importance
- G. Investment
- H. Privatization

## A. STRUCTURE OF THE NATIONAL ENERGY SECTOR

<b>Policy bodies:</b> <ul style="list-style-type: none"> <li>• Mazhilis Oli RT,</li> <li>• President of RT,</li> <li>• Government of RT,</li> <li>• Ministry of Energy and Industry of RT,</li> <li>• Ministry of Economic Development and Trade</li> </ul>	<b>Regulatory bodies:</b> <ul style="list-style-type: none"> <li>• Government of RT,</li> <li>• Ministry of Energy and Industry of RT,</li> <li>• Ministry of Economic Development and Trade (Antitrust Enforcement Agency, tariffs),</li> <li>• State Agency for Standardization, Certification of RT (certification)</li> </ul>	
<b>Utilities (production, distribution):</b> <ul style="list-style-type: none"> <li>• Joint Stock Holding Company “Barki Tajik”</li> <li>• Energy Company “Pamir-energy”</li> <li>• JSC “Sangtuda HPP-1”</li> <li>• Private and public owners of micro and small scale HPP</li> </ul>		
<b>Generation/Power Producers:</b>  Structural subdivisions: <ul style="list-style-type: none"> <li>• JSHC “Barki Tajik”</li> <li>• EC “Pamir-Energy”</li> <li>• JSC “Sangtuda HPP-1”</li> <li>• Private and public owners of micro and small scale HPP</li> </ul>	<b>Distributors:</b>  Structural subdivisions: <ul style="list-style-type: none"> <li>• JSHC “Barki Tajik”</li> <li>• EC “Pamir-Energy”</li> <li>• Distribution network of large-scale consumers</li> </ul>	<b>Transmission:</b>  Structural subdivisions: <ul style="list-style-type: none"> <li>• JSHC “Barki Tajik”</li> <li>• EC “Pamir-Energy”</li> <li>• Governmental transmission network</li> </ul>
<b>Consumers:</b>  According to the price list dated 09.01.2009: <ol style="list-style-type: none"> <li>1 group – industrial, non-industrial and other equivalent consumers;</li> <li>2 group – consumers from the public sector, utilities companies and electrified transport;</li> <li>3 group - water pipes and irrigation pumping stations;</li> <li>4 group - population, local communities and dormitories</li> </ol>		

<b>Top 5 most important events in the sector during the past five years</b>	<b>Top 5 most controversial issues in the sector at present</b>
<ol style="list-style-type: none"> <li>1. Construction of large and medium energy generating HPPs and electricity transmission lines: <ul style="list-style-type: none"> <li>• Sangtuda HPP -1,</li> <li>• Sangtuda HPP -2,</li> <li>• Rogunsk HPP,</li> <li>• high voltage lines 500 “North-South”,</li> <li>• high voltage lines “Lolazor –Khat lon” and others</li> </ul> </li> <li>2. Approval and implementation of Government Program on Construction of Small Scale HPPs</li> <li>3. Initiating and proceeding with the implementation of the program “Rehabilitation of Energy Sector of the RT”</li> <li>4. Implementing the Project “Reduction in energy losses”</li> <li>5. Adoption of the National Energy Development Strategy</li> </ol>	<ol style="list-style-type: none"> <li>1. Deficits of electric energy in the fall-winter period and administrative constraints that consumers face in accessing electric energy</li> <li>2. Non-payments by large consumers</li> <li>3. Groundless tariff policy</li> <li>4. High technological and commercial losses</li> <li>5. Weak management in energy sector</li> </ol>

## B. POLICY / LEGISLATION:

### B.1. Freedom of Information Act:

- Yes  
 No

(Laws of the RT "On Information" dated 10.04.2002, №55, "On Information Protection" dated 15.05.2002, №63, "On right to access information" dated 18.06.2008, №411)

### B.2. Electricity Legislation:

- Republican  
 Provinces/states?  
 Other

#### Legislative System:

- Parliamentary  
 Other

### B.3. Legislative bodies and caucuses responsible for drafting / recommending legislation

- 1) Mazhilis Milli Mazhilis Oli of RT
- 2) Mazhilis namoyandagon Mazhilis Oli of RT

### B.4. State government agencies implementing and enforcing electricity policies

- 1) Ministry of Energy and Industry of RT

### B.5. Government body in charge of sector planning:

Ministry of Economic Development and Trade of RT,  
Ministry of Energy and Industry of RT,  
State Committee on Investments and Management of Government Property

### B.6. Main source of bills and laws for the sector:

Government of RT, Ministry of Energy and Industry of RT

### B.7. Government body overseeing sector: Ministry of Energy and Industry of RT

### B.8. Government body overseeing renewable electricity: Ministry of Energy and Industry of RT

### B.9. Government body overseeing rural electrification: Ministry of Energy and Industry of RT

### B.10. Electricity Tariffs set by:

Government of RT (Project of Statement of the RT on changing tariffs is being prepared by the Ministry of Economic Development and Trade of the RT and is to be submitted for approval to the Government of the RT)

### B.11. Sector Carbon / Emission Tracking

### B.12. Environmental Impact Assessments (EIA) legally required for sector

### B.13. EIA Guidelines exist for:

- Generation  
 Transmission  
 Distribution  
 None

Any other key characteristics of the policy and legislative framework of your country:

## C. REGULATION:

C.1. National  X  
Provinces / States  \_\_\_\_\_  
Other  \_\_\_\_\_

C.2. **Responsibilities:**

X Tariff  
 X Permissions  
 X Licensing  
 X Awarding Concessions  
 X Adjudication  
 \_\_\_\_\_ Other

C.3. **Universal service mandate**

X Yes  
 \_\_\_\_\_ No

C.5. **Regulation by Contract X Companies:**

1) EC "Pamir-Energy"  
2) JSC "Sangtuda HPP-1"  
*Responsibilities:*  
 X Tariffs  
 X Permitting  
 X Licensing  
 \_\_\_\_\_ Awarding Concessions  
 \_\_\_\_\_ Adjudication  
 \_\_\_\_\_ Other

C.5. **End-user efficiency programs**  \_\_\_\_\_

1) Implementing the Project "Reduction in energy losses"  
2) \_\_\_\_\_

C.6 **Efficiency rate of sector** : 0.88

C.7 **Estimated rate of non-technical losses / electricity theft**: 14-15 percent

C.8. **Reporting Responsibilities for Utilities:**

\_\_\_\_\_ Comprehensive  
 X Limited  
 \_\_\_\_\_ None

C.9. **Reporting on Environmental Performance?**

X Yes  
 \_\_\_\_\_ No

*Any other key characteristics of regulation of your electricity sector:*

## D. GENERATION:

D.1. Total Installed Generation Capacity (MW): 5,070

### D.2. Fuel Mix:

- Oil 2 %
- Coal        %
- Petroleum / Diesel        %
- Natural Gas/ LPG        %
- Large Hydro 97.8 %
- New Renewables: 0.2 %
- Wind        %
- Solar        %
- Small Hydro 0.2 %
- Biomass        %
- Cogeneration        %
- Hydrogen        %
- Other        %

D.3. Independent Power Producers (IPPs) allowed         
*Who issues IPP contracts*         
*How many IPP contracts*         
*Portion of IPPs in Renewables / Cogeneration*        %

*Any other key characteristics of generation in your electricity sector:*



## E. ACCESS, TRANSMISSION AND DISTRIBUTION

- E.1. Population with access to electricity: 98 %
- E.2. Urban population with access to electricity: 98.5 %
- E.3. Rural population with access to electricity: 98 %
- E.4. Distribution and transmission losses: up to 23 %
- E.5. National Grid X Coverage: 100 %?
- E.6. Rural Electrification Program in place: \_\_\_\_\_
- E.7. Rural electrification subsidies? What sort?
- E.8. Reliability of electricity service:
- Reliable
  - Occasional brownouts
  - Planned load-shedding
  - Frequent service interruptions (Efforts heat with electrical heaters due to a lack of natural gas lead to frequent service interruptions in towns, houses and electric power stations.)

*Any other key characteristics of access, transmission and distribution in your electricity sector:*

**Administrative cut-offs due to the deficit during the fall-winter period**

## F. ECONOMIC:

### F.1. Sector Contribution to GNP:

US\$ 158,602,155

3.37 %

### F.2. Exports Electricity

Imports Electricity

### F.3. Financial state of Sector:

normative-profitable

Revenues as proportion of cost :

US\$12,996,800

0.84

Debt level (as % of annual revenue): 47.8 %

### F.4. Main Sources of Technical Assistance Projects (ODA / MDB): ADB, IDB, WB

### F.5. Use of Integrated Resource Planning Strategies for Sector:

### F.6. Electricity Tariff (in US\$ cents):

Household Urban	<u>1.02</u>	Monthly Income:	<u>1,485</u>	Avg Use: <u>312.6</u> kWh per month
Household Rural	<u>1.08</u>	Monthly Income:	<u>962.8</u>	Avg Use: <u>170.9</u> kWh per month
Commercial	—	525 kWh per month with tariff	<u>3.06</u>	Avg Use: <u>1,014.7</u>

“Talco” consumes 6.7 bln kWh per annum, with tariff \$0.015/kWh, including VAT

Average percentage change of the electricity tariff over the past year: 28 %

Variability = (Present Tariff – Tariff at same time last year) / Present Tariff

Steady Tariff

Tariff changes frequently

Highly volatile tariff

### F.7. Energy Intensity (\$US):

0.071

### F.8. Projected Demand Growth in Demand :

25 %

*Any other key characteristics of the economic profile of your electricity sector:*

**Average tariff on electricity in the internal market of Tajikistan is lower than the prices on imported electricity.**

**The energy security of the country, separate regions and energy-intensive consumers (State enterprise “Talco”) is determined by electricity imports.**

## G. INVESTMENT

G.1. Annual investment in sector over past three years (mln):  
(1) US\$ 154 (2) US\$ 472 (3) US\$ 440

G.2. Domestic Investment: 8 %  
Foreign Investment: 92 %

G.3. Top Public Investors	Top Private Investors
1) _____	1) _____
2) _____	2) _____
3) _____	3) _____
4) _____	4) _____
5) _____	5) _____

G.4. Sources of Public Support for the Sector:  
 Bonds  
 Taxes  
 Tariffs  
 Other: \_\_\_\_\_

G.5. Structural Adjustment Lending / Development Policy Lending for electricity sector

G.6. Which Multilateral Development Banks and bilateral agencies have funded electricity sector projects? If these banks have been involved with any of the top 5 controversies in section (i) check the box on the right

- 1) World Bank
- 2) Asian Development Bank
- 3) Islamic Development Bank
- 4) Kuwait Development Fund

G.7. Which Private Banks are major funders?

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_
- 5) \_\_\_\_\_

*Any other key characteristics of investment in the electricity sector:*

**Concessional loans of Government of the Republic of Korea, Government of Islamic Republic of Iran, Government of Russian Federation, Government of Germany, Grants of Government of Japan, Switzerland**

## H. PRIVATISATION:

H.1. Privatized When (Year): \_\_\_\_\_  
\_\_\_\_\_ Under Consideration  
\_\_\_\_\_ None

H.2. Transmission separate from Generation?

H.3. Distribution separate from Transmission?

H.4. Are there Private Generators?

*Generating Companies:*

- 1) JSC "Sangtuda HPP-1" Market Share: \_\_\_\_\_%
- 2) EC "Pamir-energy" Market Share: \_\_\_\_\_%
- 3) Private and public micro and small scale HPPS Market Share: \_\_\_\_\_%

H.5. Are there Private Distributors?

*Distributing Companies:*

- 1) \_\_\_\_\_ Market Share: \_\_\_\_\_%
- 2) \_\_\_\_\_ Market Share: \_\_\_\_\_%
- 3) \_\_\_\_\_ Market Share: \_\_\_\_\_%

H.6. Transmission Privatized?

*Transmission Companies:*

- 1) \_\_\_\_\_ Market Share: \_\_\_\_\_%
- 2) \_\_\_\_\_ Market Share: \_\_\_\_\_%
- 3) \_\_\_\_\_ Market Share: \_\_\_\_\_%

## APPENDIX NO. 2

PP1 CAPACITY OF LEGISLATIVE COMMITTEE		
Elements of quality		Explanation
Access to knowledge	Yes	Legislative committee staff has access to the Parliament library, all relevant documents in the electricity sector such as Presidential Decrees and Rules and Regulations of the Government of the RT. Committee members are also provided with computers and access to Internet.
Knowledge enhancement	No	No periodic opportunities for knowledge enhancement and trainings on energy (electricity) issues were organized for the elected representatives and Mazhilis namoyandagon committee members. To the extent possible, they participate in seminars and conferences related to energy issues on their own.
Financial resources	No	The Committee budget is included into the general Parliament budget; there is no specific budget allocated to the Committee. The use of budget funds has to be approved by the Council Mazhilis namoyandagon.
Authority	Yes	Delegates – Committee members – have authority to call relevant elected representatives or appointed officials in order to seek information and answers and exercise such authority in practice.
<p><b>Continued explanation:</b>            The Mazhilis namoyandagon of Mazhilis Oli of the RT (MN MO RT) forms a Committee on energy, industry and communications from the delegates of Mazhilis namoyandagon. There are 7 delegates – members of the Committee, each of them is responsible for the legislation in a particular industry. The Committee members collectively make decisions on each particular industry of energy, industry and communication. No periodic opportunities for knowledge enhancement and trainings on energy (electricity) issues were organized for the Committee members. To the extent possible, they participate in seminars and conferences on energy issues organized by international organizations and public institutions. This knowledge enhancement is not periodic and goal-oriented. There are no adequate financial resources to hire experts and undertake studies in related areas, including the electricity sector. The financial resources are earmarked for the entire Parliament and are not under the Committee’s control. According to the Constitutional Law of the RT “On legal status of members of Mazhilis Milli and delegates of Mazhilis namoyandagon of Mazhilis Oli of the RT”, delegates have a right to meet with their electorate; invite appointed officials to these meetings; control the process of considering the complaints, grievance claims of constituencies; study public opinion, needs and requests, and communicate them to the Parliament and its bodies (Article 16).</p>		
VALUE	SELECT	
Not applicable/ Not assessed		
There is <b>no</b> mechanism of legislative oversight through committee process or there is a committee but none of the four elements of quality is met	Low	
There is a mechanism of legislative oversight through committee process but only <b>one</b> element of quality is met	Low-Medium	
There is a mechanism of legislative oversight through committee process and <b>two</b> indicators of quality are met	<b>Medium</b> ✓	
There is a mechanism of legislative oversight through committee process and <b>three</b> indicators of quality are met	Medium-High	
There is a mechanism of legislative oversight through committee process and <b>all four</b> indicators of quality are met	High	

**Researcher Name and Organization:** Rakhimov M.Z.

**Sources of Information:** Constitutional Law of the RT “On Mazhilis Oli of the RT” dated 19 April 2000, Constitutional Law of the RT “On legal status of members of Mazhilis Milli and delegates of Mazhilis namoyandagon of Mazhilis Oli of the RT”; Regulation of Mazhilis namoyandagon of Mazhilis Oli of the RT dated 07 November 2001 and Law of the RT “On state budget of the RT for 2009.”

**Any Additional Information:**

**PP4 EFFECTIVE FUNCTIONING OF THE LEGISLATIVE COMMITTEE ON ELECTRICITY**

Elements of Quality		Explanation
Disclosure of interests	No	There are no normative acts that would require the committee members to disclose their past links and commercial interests in the electricity sector industry before joining the committee.
Active committee	Yes	16 expanded meetings and 47 regular meetings were organized by the Committee within the period of 2007-2008. 162 decisions on draft laws submitted to the Parliament were made. 80% of Committee comments and suggestions were approved.
Reasoned reports	No	According to the Regulation, the committee prepares annual reports on its regular proceedings. Information is provided according to the Committee protocol. Such information contains all Committee meetings held, all meetings with voters, participation in different meetings, conferences, seminars and so on. However, no reasoned reports are released to the public within two weeks of committee meetings.
Proactive committee	Yes	The Committee is proactive in identifying and considering a range of issues relevant to electricity at all levels.
Public consultations	No	There were no public consultations in a considered period. The Regulation does not even have a term of “public consultation” but: 1) representatives from the public, scientific community and experts may be invited to the expanded Committee meetings, 2) meetings with voters are held.
Transparency of submissions to committee	No	The Regulation does not contain procedures for making public the reports and recommendations of the committee. Individuals may become familiar with materials after they get permission from the management.
Transparency of committee reports	No	The Regulation does not contain procedures for making public the reports and recommendations of the committee. Individuals may become familiar with materials after they get permission from the management.
Reporting by executive	Yes	Upon Committee request or recommendation, the executive agencies report on the progress of legislature enforcement.

**Continued explanation:**

The work of the Committee is clearly defined by the Regulation of Mazhilis namoyandagon of Mazhilis Oli of the RT (MN MO RT). The Regulation does not contain the following criteria:

- special requirements to committee member to disclose their past links and commercial interests in the electricity sector. This can be explained by insufficient commercialization of the electricity sector and a lack of actual conflict of interest.
- public discussions, dissemination of the results of its work, recommendations and reports. The public can access such information by sending their requests; however, there is not well-laid out procedure to disclose such information. The Committee prepares annual reports on its regular proceedings to the Council Mazhilis namoyandagon. As analysis for 2007-2008 showed, the Committee is proactive and result-oriented. The Committee has a right to request reports from executive branch on legislature enforcement.

VALUES	SELECT
Not applicable/ Not assessed	
There is <b>no</b> mechanism of legislative oversight through committee process or the process has not a single element of effective process	Low
A legislative committee that examines electricity exists but it meets <b>one - two</b> elements of effective process	Low-Medium
A legislative committee that examines electricity exists but it meets <b>three - four</b> elements of effective process	<b>Medium</b> ✓
A legislative committee that examines electricity exists but it meets <b>five - six</b> elements of effective process	Medium-High
A legislative committee that examines electricity exists and it meets <b>seven - eight</b> elements of effective process	High

**Researcher Name and Organization:** Rakhimov M.Z.

**Sources of Information:** Constitutional Law of the RT “On Mazhilis Oli of the RT” dated 19 April 2000, Constitutional Law of the RT “On legal status of members of Mazhilis Milli and delegates of Mazhilis namoyandagon of Mazhilis Oli of the RT”; Regulation of Mazhilis namoyandagon of Mazhilis Oli of the RT dated 07 November 2001.

**Any Additional Information:**

## PP14 QUALITY OF LEGISLATIVE DEBATE ON ELECTRICITY LAWS

Elements of quality		Explanation
Length of discussion ( <i>for the purpose of this indicator, we use the process of adopting the laws of the RT "On Energy" and "On Energy Saving"</i> )	Yes	The law "On Energy" was approved (signed by President) and became active within one year of after being considered by the Parliament (May 2000- 29 November 2000). Due to its specific nature, the law "On Energy Saving" took longer - almost two years, for its consideration and adoption. This period is considered as reasonable.
Attendance of members	Yes	57 out of 63 delegates (more than 90% of total) participated in a voting process for the law "On Energy". 52 out of 63 delegates (more than 80% of total) participated in a voting process for the law "On Energy Saving."
Composition of speakers	Yes	1. Representative of the following political parties participated in the voting process for the law of the RT "On Energy": Narodno-demokraticeskaya (People's Democratic Party) – 7, Communist – 5, Islamskoe Vozrozhdeniye (Islamic Renaissance) – 1, independent – 4. 2. Representatives of the following political parties participated in the voting process for the law of the RT "On Energy Saving": Narodno-demokraticeskaya – 8, Communist – 3, non-party – 3.
Availability of transcripts	Yes	The records of the meetings that discussed the above mentioned laws are available: (1) Transcripts № 1 dated 2 October 2000 of second meeting of Mazhilis namoyandagon Mazhilis Oli of RT (MNMORT) of second calling (2) Transcripts № 17 of third meeting of MNMORT of second calling on 6 February 2002. Starting 2005, all the transcripts of Mazhilis namoyandagon are being published in the Parliament newspaper "Sadoi mardum". This information is published within a week after the meeting and is available to any citizen interested in receiving the information on discussed law draft.

### Continued explanation:

Basic laws in the energy sector were adopted in the period of 2000-2004. To assess this indicator, we evaluated the process of adopting the laws of the RT "On Energy" and "On Energy Saving" (2000-2002). As the analysis shows, the timeframe for considering these laws was reasonable, more than 80-90 percent of delegates were present, they had multi-party representatives, and all the meetings were recorded and are available to the public through the newspapers since 2005.

VALUE	SELECT
Not applicable/ Not assessed	
The legal framework was put in place without legislative approval (through means such as ordinance / presidential decree etc.)	Low
The legal framework was enacted through the legislature but the process meets <b>only one</b> element of quality for effective legislative debate	Low-Medium
The legal framework was enacted through the legislature but the process meets <b>only two</b> element of quality for effective legislative debate	Medium
The legal framework was enacted through the legislature but the process meets <b>three</b> element of quality for effective legislative debate	Medium-High
The legal framework was enacted through the legislature but the process meets <b>all four</b> element of quality for effective legislative debate	<b>High</b> ✓

**Researcher Name and Organization:** Rakhimov M. Z.

**Sources of Information:** Transcripts of the Committee on Energy, Industry, Construction and Communication dated 16 May 2000; 22 September 2000; 28 May 2001; 16 January 2002. Findings of a Committee "On draft law of the RT "On Energy Saving" dated 23 January 2001. Transcripts № 28 of MNMORT Council meeting dated 02 October 2000; transcripts № 17 of MNMORT Council meeting dated 06 February 2002. Decrees of MNMORT Council dated 02 October 2000 and 18 December 2000. MNMORT Decree "On adopting the law of the RT "On Energy" and enforcing it" dated 04 October 2000. MNMORT Decree "On adopting the law of the RT "On Energy Saving" and enforcing it" dated 06 February 2002, Constitutional law of the RT "On Mazhilis Oli of the Republic of Tajikistan" dated 19 April 2000.

**Any Additional Information:**

**PP5 STAFFING POLICIES OF THE MINISTRY OF ENERGY**

Elements of quality		Explanation
Clear criteria	Yes	There are laid out criteria for appointment of staff positions (level of professional experience, clear terms of reference/job descriptions) within the Ministry of Energy and Industry of the RT.
Predictable tenure	No	The tenure of the staff at the Ministry of Energy and Industry is not fixed. There is no well laid out procedure (including criteria) for removal before the end of term. Any dismissal is made on general terms, as is true for all public servants.
Disclosure of the interests	No	All information about the past and current links with the energy industry of new appointees is available in their official resume, submitted according to general business requirements. There is no special procedure of submitting this type of information. Also, there no opportunity to verify the submitted information.
Conflict of interest rules	No	There are no rules to prevent conflict of interest, such as a ban on staff entering into a commercial relationship with any energy related business for a few years after leaving the ministry/executive.

**Continued explanation:**

Job descriptions, requirements to professional experience, responsibilities and tasks developed for each position and approved by the Ministry of Energy and Industry of the RT allow for efficient workflow. The basic purpose of these rules is to streamline organizational structure of the ministry, accurately distribute responsibilities/ tasks and provide requirements to professional experience. These rules are guided by the Law of the RT «On civil servants» and other legal acts regulating public service. However, in practice, the staffing policy existing at the Ministry of Energy does not meet the general characteristics of this indicator.

VALUE	SELECT
Not applicable/Not assessed	
The staffing policies do not meet none of the elements of quality	Low
The staffing policies meet at least one element of quality	<b>Low-Medium</b> ✓
The staffing policies meet two elements of quality	Medium
The staffing policies meet three elements of quality	Medium-High
The staffing policies meet all four elements of quality	High

**Researcher Name and Organization:** Akhrorova A.D. Energy Association of Tajikistan.

**Sources of Information:** Law of the Republic of Tajikistan «On public service»; Concept of reforming public service of Tajikistan, adopted by the Governmental Decree №472 dated 11.06.2007; Provisions related to the Ministry of Energy and Industry of the RT, approved by the Governmental Decree №605 dated 28.12.2006; Structure of the Ministry of Energy and Industry; job descriptions; Provisions on Certification; Provisions on Public service on Energy Control, approved by Governmental decree №180 dated 03.04.2007.

**Any additional information:** Information from the employees of the Ministry of Energy and Industry and public servants of the RT



**PP10 ANNUAL REPORTS OF THE MINISTRY OF ENERGY**

Elements of quality		Explanation
Financial reporting	No	The operational, accounting and statistical reporting of the Ministry of Energy and Industry of the RT is performed in accordance with existing legislation and established forms. The financial report of the Ministry of the Energy and Industry of the RT provides cash flow statements, information on wages, travel allowances and miscellaneous costs allocated from the republican budget. However, this information represents a standard accounting report and does not serve the purpose of providing a financial analysis.
Review of progress	Yes	Annually and quarterly every division of the Ministry prepares reports to assess performance of planned measures for the current year. All reports are addressed to one of the divisions to make final conclusions and prepare summary report on work results of the Ministry for the corresponding period. This report covers a "work progress review" criteria.
Easy availability	No	Access to complete reports of the Ministry of Energy and Industry of the RT is restricted to the general public; however certain data are available through a website, and the industry magazine "Nehru", and mass media. Mass media representatives can receive complete and detailed information only through the participation in the press conferences held quarterly by the Ministry Energy and Industry of the RT.
Local languages	Yes	The report is available in both Russian and Tajik languages, but only internally.

**Continued explanation:**

According to the general reporting requirements of state authorities of such a high level, the Ministry of Energy and Industry of Tajikistan has to prepare the quarterly and annual accounting and statistical reports. However, such reports do not contain any financial analysis and do not serve a purpose of informing the public. These reports are usually submitted to the tax and statistical authorities. There are no regulations in place that would demand public authorities to publish their financial reports to make them available to the public.

The ministry prepares its reports on a quarterly and an annual basis. According to the special order of the President of the Republic of Tajikistan, the ministry has to hold special press conferences immediately after the board meetings. The vice minister of the energy sector informs the media and the public on the results of their work for corresponding quarter, year. These reports review the progress made as compared to the previous periods and future priorities.

However, the full version of the report is not available to the public. Detached pieces of information are available through the participation in the board meetings, or through the media that were present at the press-conference, and also through the website and the ministry publications (usually published in a small number of copies).

VALUE	SELECT
Not applicable/Not assessed	
The electricity department / ministry do not prepare annual report or the report does <b>not</b> satisfy any element of good quality in reporting	Low
The electricity department / ministry prepared annual report meets <b>one</b> element of quality in reporting	Low – Medium
The electricity department / ministry prepared annual report meets <b>two</b> elements of quality in reporting	<b>Medium</b> ✓
The electricity department / ministry prepared annual report meets <b>three</b> elements of quality in reporting	Medium – High
The electricity department / ministry prepared annual report satisfies <b>all four</b> elements of quality in reporting	High

**Researcher Name and Organization:** Akhrorova A.D. Energy Association of Tajikistan

**Source of information:** Materials of the Ministry of Energy and Industry of the RT; Accounting report as of 01.01.2009; Publications in mass media; information from the website of the Ministry of Finance of the RT (May, 2009).

**Additional information:** Interview with the staff of the Ministry of Energy and Industry of the RT

**RP1 INSTITUTIONAL STRUCTURE FOR REGULATORY DECISIONS**

Elements of quality		Explanation
Existence of independent regulatory body	No	The process of regulating the electricity sector is divided, both in theory and practice, between various agencies. These agencies are the Government, Parliament, Ministry of Energy and Industry, Ministry of Economic Development and Trade. At the same time, according to the policy existing in the energy sector, the major functions in policy development officially belong to the Ministry of Energy and Industry of the Republic of Tajikistan, as written in its mandate. However, in practice this is not the case. The main difference in the duties given to the Government in the energy sector and the duties given to the Ministry of Energy and Trade is that, according to provisions of article 6 of this Law, the Government determines a “general price and tariff policy in the fuel and energy sector.” That means that the Government is the ultimate agency that sets tariffs. Other issues, such as the setting of service and efficiency standards, consumer protection, environmental impact assessment, are included in mandate of both agencies.

**Continued explanation:**

According to the basic rules in the energy sector, the role of the regulatory body is distributed between the Government and the Ministry of Energy and Industry.

Other functions are divided in the following way:

- The Ministry of Energy and Industry has a control over compliance with the license requirements and conditions.
- The Antitrust Enforcement Agency under the Ministry of Economic Development and Trade reviews the tariffs proposed by suppliers for efficiency and presence of some “monopoly” interests.
- The Agency for Standardization, Metrology, Certification and Trade Control under the Government of the Republic of Tajikistan (Tajikstandard) evaluates for compliance with national and international technical standards and norms.
- The Government determines a “general price and tariff policy in the fuel and energy sector.”

VALUES	SELECT
Not applicable / Not assessed	✓
Regulatory decisions are made through normal executive decision-making processes within the ministry	Low
Most regulatory decisions are made through normal executive decision-making processes within the ministry. BUT there is a separate unit within the ministry tasked with critical, predefined decisions (such as tariff revision or licensing), a separate cell or group with specific responsibility is created within / by the ministry).	Medium
An independent / separate regulatory body is responsible for regulatory decision-making and oversight	High

**Researcher Name and Organization:** Akhrorova A.D. Energy Association of Tajikistan

**Source of information:** materials of the Ministry of Energy and Industry of the RT, Decisions on tariff changes

**Additional information:** interview with the staff of the Ministry of Energy and Industry of the RT

RP2 AUTHORITY OF THE REGULATORY BODY		
Elements of quality		Explanation
<b>Authority:</b>		
Information and evidence	Yes	The regulatory bodies have full legal authority to seek information and evidence from all stakeholders in the energy sector for the decision making processes.
Investigation	Yes	The regulatory bodies in Tajikistan have a right to investigate and control all decrees, rules, instructions and other legal acts. They can also penalize consumers and electricity producers in case of violation.
Enforce compliance	Yes	The regulatory bodies have a full authority to enforce or require others to comply with their orders, instructions and data collection requests.
Penalties for breach of order	Yes	In case of violation, Ministry of Economic Development and Trade and Ministry of Energy and Industry have a right “to issue legally binding instructions” and “to penalize for material damages.” Penalties are issued according to the Code of Administrative Responsibility.
<b>Practice:</b>		
Exercise of authority	No	There are no records of penalties issued to companies in the electricity sector or requests to comply with the rules. The materials for this item were requested several times.
<b>Continued explanation:</b> As mentioned above, the regulatory mechanism in the electricity sector is divided between different state institutions led by the Government of Tajikistan. Each ministry has its own mandate to perform a certain part of the regulatory functions. Two major ministries (Ministry of Energy and Trade, Ministry of Economic Development and Trade) are endowed with the supervisory, document inquiry and penalizing functions. There are no records of penalties issued to companies in the electricity sector; other functions have been performed to the full extent.		
VALUES	SELECT	
Not applicable/ Not assessed		
The authority of the regulatory body does not meet any elements of authority	Low	
The authority of the regulatory body meets <b>one - two</b> elements of quality	Low-medium	
The authority of the regulatory body meets <b>three</b> elements of quality	Medium	
The authority of the regulatory body meets <b>all four</b> elements of authority	<b>Medium-High</b> ✓	
The authority of the regulatory body meets all four elements of authority, and it also meets the <b>element of quality for practice</b> of this authority.	High	

**Researcher Name and Organization:** : Akhrorova A.D. Energy Association of Tajikistan

**Source of information:** materials of the Ministry of Energy and Industry of the RT, Ministry of Economic Development and Trade

**Additional information:** interview with the staff of the Ministry of Energy and Industry of the RT

### RP3 JURISDICTION OF THE REGULATORY BODY

Elements of quality		Explanation
Functions are clearly defined in applicable laws	No	According to existing legislation, basic regulatory functions are divided between four state bodies: Government, Ministry of Energy and Industry, Ministry of Economic Development and Trade, Agency Tajikstandard. However, jurisdiction is not clearly defined and there exists an overlap between the functions of these agencies.
Range of functions	No	It is difficult to define a mandate of the regulatory body due to the dual nature of entrusted functions

**Continued explanation:**

Clear jurisdiction has to define the range of functions entrusted to the regulatory bodies and whether the functions are clearly defined in applicable laws. However, the only law that regulates the electricity sector, the Law of RT “On Energy” describes legal authority given to the regulatory bodies without clearly defining its jurisdiction. The Ministry Acts are also very general in nature; they do not clearly define the way the ministries are related to the electricity sector because this sector is not considered as a separate activity. The Law of the RT “On natural monopolies” indirectly relates the Ministry of Economic Development and Trade to the regulatory body, but it does not clearly define the way the ministry can regulate the sector either. It is difficult to define the full range of functions to be entrusted to the regulatory body; jurisdiction of the regulatory relations is ambiguous.

VALUES	SELECT
Not applicable/ Not assessed	
Functions of the regulatory body <b>are not clearly defined</b> and there is considerable ambiguity about the jurisdiction of regulatory body	Low ✓
Functions of the regulatory body are clearly defined but it is <b>not</b> entrusted with <b>three or more</b> critical functions	Low-medium
Functions of the regulatory body are clearly defined, but it is <b>not</b> entrusted with <b>two</b> critical functions	Medium
Functions of the regulatory body are clearly defined, but it is <b>not</b> entrusted with <b>one</b> critical function	Medium-High
Functions of the regulatory body are clearly defined, and it is <b>entrusted</b> with <b>all</b> critical functions	High

**Researcher Name and Organization:** : Akhrorova A.D. Energy Association of Tajikistan

**Source of information:** laws, normative acts, decrees, instructions, normative information

**Additional information:**

## RP11 TRAINING OF REGULATORY BODY MEMBERS AND STAFF

Elements of quality		Explanation
Certainty	No	There is no clear and implemented policy that ensures regulatory body (Ministry of Economic Development and Trade, Ministry of Energy and Industry of the RT) members and their staff receive training / knowledge enhancement on a regular basis. There is no plan of training courses, no priority areas have been identified for any staff category. Training is uniform for all categories of public servants.
Multi-disciplinary training	No	Members of the regulatory body and senior staff attended different courses, seminars, trainings on energy issues. Under the energy projects and programs, members and staff have an opportunity to advance their education. However, no multi-disciplinary approach is being implemented by the ministry. The ministry does not follow changes in the industry and does not create opportunities for “ordering” specific courses to train its personnel. Training through the various external programs is irregular, and is not provided by the ministry.
Diversity	No	Training through the various external programs is irregular, and is not provided by the ministry. It is not intended to develop different viewpoints and perspectives among staff members.

### Continued explanation:

Assessment of the existing system of training and advanced education demonstrated that a planned reform of public service envisions the creation of a system to train and educate public servants through the Institute of Advanced Training for Public Service, as well as through local and foreign institutions (as a part of national programs). However, such training and education are uniform for all categories of public servants. Knowledge enhancement at the ministry level is not a result of a thoughtful policy that corresponds to the realities of the energy sector and meets the internal needs of the ministries. The training is chaotic, disorganized and not goal-oriented.

VALUES	SELECT
Not applicable/ Not assessed	
Regulatory body members and staff have <b>not received any</b> specialized training opportunities in the last two years	Low
Regulatory body members and staff have <b>received three or less</b> than three specialized training opportunities in the last two years	Low-medium ✓
Regulatory body members and staff have <b>received four or more</b> specialized training opportunities in the last two years, but this training meets <b>one</b> element of quality	Medium
Regulatory body members and staff have <b>received four or more</b> specialized training opportunities in the last two years, and this training meets <b>two</b> elements of quality	Medium-High
Regulatory body members and staff have <b>received four or more</b> specialized training opportunities in the last two years, and this training meets <b>three</b> elements of quality	High

**Researcher Name and Organization:** : Akhrorova A.D. Energy Association of Tajikistan

**Source of information:** materials of HR office at the Ministry of Energy and Industry, Ministry of Economic Development and Trade of the RT, Institute of Advanced Training for Public Service.

**Additional information:** data from Tajik Technical University

**RP15 CLARITY ABOUT REGULATORY PROCEDURES AND SUBSTANTIVE BASIS OF DECISIONS**

Elements of quality		Explanation
Procedural certainty	Yes	Using the example of a decision on tariff increase: the tariff setting policy defined by the Law “On Natural Monopolies” serves as a partial procedure to take decisions on tariff change. According to articles 7,8,9 of this law, the monopoly company has to submit tariff estimates one month before their introduction. In case of tariff revisions, the company has to submit economically viable calculations within one month. The authorized agency (Antitrust Enforcement Agency under the Ministry of Economic Development and Trade) has one month to evaluate them. If the authorized agency plans to hold public hearings, it has to publish information on location and date in print at least three days in advance. Final decision on tariffs should be sent out not later than thirty days before their enforcement. The monopoly company has to notify consumers about changes twenty days before those changes take place. These are the procedures described by laws
Clarity about substantive basis of decisions	No	There are no clear instructions to govern tariff increase, methodology of calculating tariffs, real cost of a single kilowatt of energy, or prices on alternative energy resources. It is impossible to apply this indicator.

**Continued explanation:**

VALUE	SELECT
Not applicable/Not assessed	
The proceeding before the regulatory body does not meet any elements of quality	Low
The proceeding before the regulatory body meets one element of quality	<b>Medium</b> ✓
The proceeding before the regulatory body meets two elements of quality	High

**Researcher Name and Organization:** Akhrorova A.D. Energy Association of Tajikistan

**Source of information:** legislature of RT on energy, materials of the Ministry of Energy and Industry of the RT, Antitrust Enforcement Agency, Ministry of Economic Development and Trade, materials of the international financial institutions (World Bank)

**Any additional information:**

## RP26 ORDERS AND DECISIONS OF THE REGULATORY BODY

Elements of quality		Explanation
Legal provisions to require reasoned orders	No	There is no formal procedure that would require the regulatory body to provide the reasoning behind the orders. Decisions made on tariff increase are not accompanied by corresponding reasoning.
Execution	No	The last decision on tariff increase does not contain a detailed economic justification. The proposed increase was planned according to the Memorandum of Understanding on Introducing Energy Reforms signed between the Government of Tajikistan, the World Bank and the Asian Development Bank, that requires an annual tariff revision to modernize the national energy sector.

### Continued explanation:

As mentioned above, the process of setting tariffs is regulated by the Law “On Natural Monopolies” for the authorized agency only (Antitrust Enforcement Agency under the Ministry of Economic Development and Trade). These procedures basically explain the timeline for tariff setting but they reveal very little about the substantive aspects of made decisions. The Government serves as an ultimate body to approve the tariffs; there are no formal instructions for decision making processes and reasoning behind the regulatory decisions.

According to the Memorandum of Understanding on Introducing Energy Reforms (paragraph 5 of Article on tariff policy), the Government of RT promised to increase the average electricity tariffs by 10% on a quarterly basis starting from 2007 to reach a financially viable level by 2010. However, it was impossible to find a detailed economic justification for this decision.

VALUES	SELECT
Not applicable/Not assessed	
There is <b>no</b> legal requirement that regulatory orders / decisions contain reasons or respond to public comments and objections	Low ✓
There <b>is</b> a legal requirement <b>but</b> orders / decisions of the regulatory body <b>either lack sufficient reasons or</b> fail to respond to public comments and objections	Medium
There <b>is</b> a legal requirement <b>and</b> orders / decisions of the regulatory body <b>contain sufficient</b> reasons and respond to public comments and objections	High

**Researcher Name and Organization:** Akhrorova A.D. Energy Association of Tajikistan

**Source of information:** “Information on existing electricity tariffs of “Barki Tochik” from 1991-2006,” Additional price lists № 09-01-1992/4, 09-01-1993/2 dated 1.07.1993, № 09-01-1993/6 dated 1.09.1995, №09-01-1996/1, №09-01-1996/4, №09-01-1996/5

**Additional information:** personal professional experience and expertise

**RP29 PARTICIPATION IN DECISION-MAKING RELATED TO AFFORDABILITY OF ELECTRICITY PRICES**

Elements of quality		Explanation
Attention to affordability in tariff principles / philosophy	No	This element of quality is not applicable due to the lack of concept “tariff philosophy/principles (RP 28).
Public participation in revisions	No	The electricity pricing is done without seeking the views or input of the consumers. There is no formal procedure in place to communicate with different consumer categories to get input on affordability of electricity prices.
Educating low-income groups	No	No efforts are made, nor provided by law, to educate or communicate with low-income or differentially impacted socio-economic groups.

**Continued explanation:**

There is no formal procedure in place to communicate with different consumer categories to get input on affordability of electricity prices. There are no special mechanisms of public participation to get input from low-income or differentially impacted socio-economic groups in proposed tariff revisions. There are no mechanisms in place to involve civil society or public interest groups into discussion on tariff revisions. There is no direct communication between the regulatory bodies and consumers from any group. No efforts are made to educate or communicate with low-income or differentially impacted socio-economic groups. The majority of the population is not familiar with tariff setting principles and which fee category they fall into, not to mention an opportunity to provide input on proposed tariff changes.

VALUE	SELECT
Not applicable/Not assessed	
No elements of quality for participatory decision-making to address affordability of electricity services were met in the tariff revision process	Low ✓
Three elements of quality for participatory decision-making to address affordability of electricity services were met in the tariff revision process	High

**Researcher Name and Organization:** Akhrorova A.D. Energy Association of Tajikistan

**Source of information:** mass media, interview with the staff of “Barki Tochik”, “Energosbyt” in Dushanbe for mass media; minutes of official meetings. Order of the Ministry of Energy and Industry of the RT № 296 dated 17.11.2004 “On introducing additions and changes to the Price List № 09-01-2003/2”, Decisions of the Antitrust Enforcement № 19 dated 11.06.2004; Order of “Barki Tochik” №63 dated 06.07.2007, Order of “Energosbyt” in Dushanbe №1530 dated 26.12.2008 and other documents.

**Any additional information:** Personal professional experience and expertise



**PP7 CLARITY AND TRANSPARENCY OF THE EXECUTIVE’S SOCIAL MANDATE**

Elements of quality		Explanation
Social responsibilities defined	Yes	The social mandate of executive agencies is determined by article 6 of the Law of the RT “On Energy”, Provision № 605 of the Ministry of Energy and Industry of the RT dated 28 December 2006, and the “Rules of determining poor families, allocating compensations for exploited electricity and natural gas” dated 01 August 2008.
Cooperation with other authorities	Yes	Cooperation of the Government and the Ministry of Energy and Industry with other public agencies is defined by the article 33 of the Constitutional Law of the RT “On the Government of the RT”, and article 6 of the Provision on the Ministry of Energy and Industry of the RT.
Available on website and local offices	No	We couldn’t find the main documents that determine social responsibility: the Law of the RT “On Energy”, Decree of the Ministry of Energy and Industry of the RT, on specialized websites. The Ministry’s website <a href="http://www.minenergo.tj">www.minenergo.tj</a> contains earlier versions of the Law and of the Ministry’s Decree only. This part of the website has not been renewed since 2005. The offices of the corresponding agencies do not have such documents either.
Regular reporting	No	The Ministry of Labor and Social Protection plays a main role in performing principal social services in the electricity sector (compensation of poor groups). According to the general rules, the Ministry of Labor and Social Protection has to report on its work, including distributed compensations, at collegial meetings on a quarterly and annual basis. Such meetings are followed by press conferences. The Ministry of Energy and Industry does not report on social issues.
Outreach to weaker groups	No	Certain population groups get compensated according to the “Rules of determining poor families, allocating compensations for exploited electricity and natural gas” dated 01 August 2008. The need for such social support is determined by the local authorized committees. One of the functions is “to explain compensation payments to population.” The Ministry of Energy and Industry does not reach out to economically weaker groups.

**Continued explanation:**

A number of regulatory acts determine a social mandate of executive agencies in the electricity sector. Such legislation allows for partnership with other government agencies. However, the Ministry of Energy and Industry is not directly performing social functions, the Ministry of Labor and Social Protection is entrusted with these functions. The Ministry of Energy and Industry participates in the process of formulating the social policy. The websites and the offices of the corresponding agencies do not have documents determining social responsibility of executive agencies.

VALUE	SELECT
Not applicable/Not assessed	
No elements of quality are met	Low
One element of quality on social mandate is met	Medium-Low
Two elements of quality on social mandate are met	Medium ✓
Three elements of quality on social mandate are met	Medium-High
Four or more elements of quality on social mandate are met	High

**Researcher Name and Organization:** Valiev D.A. NPF “Nakhustin”

**Sources of information:** Constitutional Law of the RT “On Government of the Republic of Tajikistan”, Law of the RT “On Energy”; Decree of the President of the RT “On improving the system of Public Administration”, Provisions on the Ministry of Energy and Industry dated 28 December 2006, Decree of the Government of the RT № 379 “On social assistance to poor families and individuals.”

**Any Additional Information:**

**PP9 CAPACITY OF EXECUTIVE TO EVALUATE SOCIAL ISSUES**

Elements of Quality		Explanation
Dedicated financial resources	No	The Ministry of Energy and Industry does not have dedicated financial resources to evaluate social consequences of decisions in the electricity sector. Government is the sole agency that possesses the necessary budgetary resources to investigate social consequences of decisions made in the energy sector. However, for certain projects to be discussed, the materials have to be sent to the corresponding agencies (Ministry of Labor and Social Protection, Ministry of Economic Development and Trade, and other).
Access to expertise	Yes	According to item 6 of Statement on the Ministry of Energy and Trade of the RT, along with access to necessary information, the Ministry has a right to facilitate collaboration between agencies and create coordination, consultative and expert bodies (councils, committees, working groups).
Designated point person	No	Our survey was not able to locate a single person that would have explicit responsibility to address the social aspects of policies and performance in the electricity sector.
Knowledge enhancement on social issues	No	No staff training/knowledge enhancement seminars on social issues were held at the Ministry of Energy and Trade in the past two years.

**Continued Explanation:**

According to item 6 of the Statement on the Ministry of Energy and Trade of the RT, the Ministry has a right to:

Request and receive information necessary to make decisions on issues related to the work of the Ministry in accordance with established procedure;

Collaborate with scientific and other organizations, scientists and specialists to investigate issues related to the work of the Ministry in accordance with established procedure; Facilitate collaboration between agencies and create coordination, consultative and expert bodies (councils, committees, working groups).

Ministry of Energy and Trade has a right to collaborate with other government agencies to jointly discuss social aspects of the electricity sector. However, the Ministry does not have dedicated financial sources to investigate social issues, a designated point person and appropriate staff training/knowledge enhancement seminars on social issues.

VALUES	SELECT
Not applicable/ Not assessed	
The executive meets <b>none</b> of the elements of capacity to assess the social issues in the electricity sector	Low
The executive meets <b>one</b> element of capacity to assess social issues in the electricity sector	<b>Medium</b> ✓
The executive meets <b>two or more</b> elements of capacity to assess social issues in the electricity sector	High

**Researcher Name and Organization:** Valiev D.A. NPF “Nakhustin”

**Sources of information:** Constitutional Law of the RT “On Government of the Republic of Tajikistan”, Law of the RT “On Energy”; Decree of the President of the RT “On improving the system of Public Administration”, Provisions on the Ministry of Energy and Industry dated 28 December 2006, Decree of the Government of the RT № 379 “On social assistance to poor families and individuals.”

**Any Additional Information:**

**RP5 SCOPE AND TRANSPARENCY OF THE SOCIAL MANDATE OF THE REGULATORY BODY**

Elements of Quality		Explanation
<b>Scope of Mandate</b>		
Social issues included in mandate	Yes	The mandates of the regulatory bodies of electricity sector: Government, Ministry of Energy and Industry, Ministry of Economic Development and Trade, include social issues.
Specific responsibilities	No	Documents describing the specific priorities in decision making, list of social responsibilities in the sector as a whole are not defined in the documents of the regulatory bodies.
<b>Information Disclosure</b>		
Published in government journal	Yes	All Government and Ministry decisions that have a status of normative-legislative act have to be published in an annual state bulletin "Decrees and Statements of the Government and President of the RT."
Available on website	No	Documents are not available on the three government websites.
Low cost	No	No fees can be charged on materials that are subject to obligatory publication. However, an opportunity to obtain them for free is quite limited. One can obtain such information through the commercial legislative databases.
Available in a range of formats	No	Such documents are only available through the official sources and government publications. There are no other sources.
Wide dissemination	No	All the adopted laws have to be published in the newspapers established by the law. Other normative-legislative documents that have no legislative status can be obtained only through the commercial electronic legislative databases.
Groups representing social issues and weaker communities	No	Analysis did not reveal any systematic/planned efforts to disseminate information regarding its social responsibilities to marginalized/less privileged populations (indigenous groups, women's associations, representatives of low-income consumers, etc.).

**Continued Explanation:**

There exists no clear distinction between and detailed description of social responsibilities of regulatory bodies. Corresponding normative-legislative acts (Law of the RT "On Energy", Ministerial provisions, instructions) contain certain norms that impose such responsibilities but no mechanisms for their enforcement. The following regulatory bodies are responsible for social issues in the electricity sector: Government, Ministry of Economic Development and Trade, Ministry of Energy and Industry of the RT. In certain cases the regulation is done jointly, which makes it difficult to determine the domain of the social mandate in each particular case.

VALUES	SELECT
Not applicable/ Not assessed	
No elements of quality are met	Low
One element of quality for scope of social mandate is met. No elements of quality for information disclosure are met	Low-Medium
Both elements of quality for clarity on social mandate are met. But less than two elements of quality for information disclosure are met.	Medium ✓
Both elements of quality for clarity on social mandate are met. Disclosure of this information meets three or more elements of quality	Medium - High
Both elements of quality for clarity on social mandate are met. Disclosure of this information meets four or more elements of quality	High

## RP13 REGULATOR'S CAPACITY TO EVALUATE SOCIAL ISSUES

Elements of Quality		Explanation
Dedicated financial resources	No	The Ministries of Energy and Industry, of Economic Development and Trade, do not have dedicated financial resources to evaluate social consequences of decisions in the electricity sector. Government is the sole agency that possesses necessary budgetary resources to investigate social consequences of decisions made in the energy sector. However, for certain projects to be discussed, the materials have to be sent to the corresponding agencies (Ministry of Labor and Social Protection, Ministry of Economic Development and Trade, and other).
Access to expertise	Yes	Apart from a right to request necessary information, both ministries have a right to facilitate collaboration between agencies and create coordination, consultative and expert bodies (councils, committees, working groups) on corresponding issues.
Designated point person	No	Our surveys were not able to locate a single person that would have explicit responsibility to address the social aspects of policies and performance in the electricity sector.
Knowledge enhancement on social issues	No	No staff training/knowledge enhancement seminars on social issues were held at the Ministry of Energy and Trade in the past two years.

### Continued explanation:

Notwithstanding the fact that the regulatory bodies are responsible for social consequences of decisions made in the electricity sector, they do not have adequate competence to investigate such issues.

Such issues have never been evaluated by the regulatory bodies; therefore, the regulatory bodies have no designated point person, dedicated financial resources and knowledge enhancement seminars on social issues.

An opportunity to have the interagency and inter-ministry discussions was the only available instrument for this assessment.

VALUES	SELECT
Not applicable/ Not assessed	
Regulatory body exhibits <b>no</b> elements of capacity to assess social issues	Low
Regulatory body exhibits <b>at least one</b> element of capacity to assess social issues	<b>Medium</b> ✓
Regulatory body exhibits <b>two or more</b> elements of capacity to assess social problems or issues	High

**Researcher Name and Organization:** Valiev D.A. NPF “Nakhustin”

**Sources of information:** Constitutional Law of the RT “On Government of the Republic of Tajikistan”, Law of the RT “On Energy”; Decree of the President of the RT “On improving the system of Public Administration”, Provisions №605 on the Ministry of Energy and Industry dated 28 December 2006

**Any Additional Information:** apart from surveying the above mentioned agencies, the expert also consulted various consumer groups (residential and social service institutions, individuals). It has to be noted that not all citizens have a clear understanding of what is considered to be a social aspect in the electricity sector and what is not. For example, a majority of people considered such issues as payroll rates, housing for employees, labor protection to be the social aspects of the work of their agency.

## RP16 REGULATOR'S RESPONSE TO ENVIRONMENTAL AND SOCIAL CLAIMS

Elements of Quality		Explanation
Explanation provided for response to claim	No	Due to lack of adequate competence, the regulatory bodies do not address social claims. Such issues are sent to the Ministry of Trade and Social Protection, which is the designated authority in social policy.
Exercise of stated environmental and social mandate	No	Notwithstanding the fact that the mandate of the regulatory bodies includes the social responsibilities, the regulatory bodies (as mentioned in a previous element of quality) do not respond to any social claims.

### Continued explanation:

As mentioned before, notwithstanding the fact that the mandate of the regulatory bodies contains social responsibilities, the corresponding capacity to evaluate social consequences of decisions is low. Therefore, the regulatory bodies send all the social claims from individuals and legal entities to the Ministry of Labor and Social Protection, which is considered to be a designated authority in that area.

Moreover, according to the ministries' employees, most claims represent the requests to explain certain norms and legislative acts rather than requests to respond to social claims of particular decisions.

There is no a single regulatory body that would take principal decisions in the area after having evaluated all the potential impacts and be responsible for them. Therefore, it is hard to make assessment on this indicator. Social responsibilities are spread among the different links of the regulatory process.

VALUES	SELECT
Not applicable/ Not assessed	
Regulators response to cases on environmental or social grounds meets <b>no</b> elements of quality	Low ✓
Regulator's response to cases on environmental or social grounds meets <b>one</b> element of quality	Medium
Regulator's response to cases on environmental or social grounds meets <b>both</b> elements of quality	High

**Researcher Name and Organization:** Valiev D.A. NPF "Nakhustin"

**Source of Information:** studying the mass media publications, survey materials, correspondence with legal entities and individuals from the Energy Administration of the Ministry of Energy and Industry, requests to the Ministry of Economic Development and Trade (Antitrust Agency, Consumer Protection department).

**Any Additional Information:**

**RP22 INSTITUTIONAL MECHANISMS FOR REPRESENTING THE INTERESTS OF WEAK GROUPS**

Elements of quality		Explanation
Consumer Representatives	No	Laws do not have any provisions to allow consumer representatives to directly participate in the regulatory processes
Submissions on behalf of weaker groups	No	As a rule, specific submissions on behalf of weaker groups are filed by CSOs, elected representatives from the local Mazhilis and the Mazhilis Oli of the RT. Also, the Heads of makhallinski councils and dzhamoats are allowed to review citizens' petitions at their place of residence. At the same time, the employees of the regulatory bodies do not make any submissions on behalf of weaker groups.
Government representation	Yes	The Ministry of Labor and Social Protection is an authorized body to represent the interests of weaker groups in the Government. The Ministry has to give its approval on decisions related to the financial situation of certain population groups or decisions that carry social implications.
Representation by executive branch for social development	Yes	As mentioned above, the Ministry of Labor and Social Protection is an authorized body to represent the interests of weaker groups in the Government. The Ministry has to develop state social policy, determine the needs of weaker groups and the ways to meet them. That includes provision of social services, financial and social support guaranteed by the Government Accordingly, the Ministry is always invited to discuss the issues that carry social implications.
Other mechanisms	Yes	Committees to allocate compensations for exploited electricity and gas are created by the local executive authorities. They serve as a unique mechanism to represent the interests of weaker groups. According to the approved procedure, such committees include not only government representatives but also representatives of civil society and local self-administration, which can represent the interests of weaker groups.

**Continued explanation:**

Existing legislation in Tajikistan does not have any provisions for immediate representation of weaker groups in the regulatory processes. The Ministry of Labor and Social Protection, which represents the interests of weaker groups in the decision making process is one of the strongest existing institutional mechanisms that exist in Tajikistan. In reality, such representation is not always possible due to the heavy workload of the ministry. Nevertheless, all the decisions with social implications have to be approved by that Ministry.

VALUE	SELECT
Not applicable/Not assessed	
<b>No special efforts</b> / arrangements are made to ensure that the interests of weaker sections / stakeholders are represented during the regulatory process	Low
There is <b>no permanent</b> institutional arrangement to ensure that the interests of weaker sections / stakeholders are adequately represented in the regulatory process, but on certain occasions the regulatory body makes <b>ad-hoc</b> arrangements for this purpose	Low-Medium
<b>One</b> institutional arrangement is in place to ensure that the interests of weaker sections / stakeholders are adequately represented in the regulatory process	Medium
<b>Two</b> institutional arrangements are in place to ensure that the interests of weaker sections / stakeholders are adequately represented in the regulatory process	<b>Medium-High</b> ✓
<b>Three</b> institutional arrangements are in place to ensure that the interests of weaker sections / stakeholders are adequately represented in the regulatory process	High

**Researcher Name and Organization:** Valiev D.A. NPF “Nakhustin”

**Sources of information:** Constitutional Law of the RT “On Government of the Republic of Tajikistan”, “On local government authorities”, Law of the RT “On Energy”, Decree of the President of the RT “On improving the system of Public Administration”, Provisions of the Ministries of Energy and Industry, Economic Development and Trade, Labor and Social Protection

**Any Additional Information:**

## PP13 CAPACITY OF CIVIL SOCIETY ORGANIZATIONS

Elements of quality		Explanation
Techno-economic analytic capacity	Yes	There are at least three CSOs that regularly submit good quality and reasoned comments on significant policy formulation processes.
Proactive engagement and strategic capability	No	CSOs do not have a mechanism in place to regularly influence policy proposals, neither have they attended meetings on a regular basis. However, CSOs use every single opportunity within the existing legislation to play a role in setting agenda that relates to the interests of different population groups. The most active CSOs are women's organizations, environmental CSOs. But these organizations were not directly involved in discussion of energy related issues.
CSO analysis of environmental and social impacts	No	There is no assessment of environmental, social implications of sector level policy proposals. Assessment is done on general issues, carried on ad hoc basis, not always reliable.
Support for weaker groups and grass roots links	No	There are almost no CSOs that regularly facilitate or support the advocacy concerns of grassroots groups and vulnerable populations. The only small program on customer protection was initiated by the Consumers Union of Tajikistan in 2008.
Ongoing learning capacity	No	CSOs staff and management have connections to sources of ongoing learning, they advance their education, travel abroad, but this learning does not cover specifics of the energy sector.
Networking	Yes	Those CSOs that closely interact with population have a tendency to represent the opinion of local communities.
Broad credibility	Yes	CSOs represent a wide range of stakeholders, they participate in official and other events, provide their expertise and consultancy.

### Continued explanation:

According to the data from the Ministry of Justice of Tajikistan, by 2009 there have been registered more than 1600 different Civil Society Organizations (CSOs). Surveys were solicited from 300 most active organizations using the Informational portal of Tajik CSOs (<http://tajikngo.tj>). Within 2 months we have received 12 replies only, which confirms weak activity of Tajik CSOs.

According to interviews with a consultant from the Parliament, different CSOs in Tajikistan participate in policy debate on legislature and initiate hearings. However, this participation is ad hoc and is carried as a part of various projects. Academia and professional unions participate on a more regular basis.

VALUES	SELECT
Not applicable/ Not assessed	
CSOs active in policy-making meet no elements of quality	Low
CSOs active in policy-making meet <b>one - two</b> elements of quality	Low-Medium
CSOs active in policy-making meet <b>three - four</b> elements of quality	<b>Medium</b> ✓
CSOs active in policy-making meet <b>five - six</b> elements of quality	Medium-High
CSOs active in policy-making meet <b>all seven</b> elements of quality.	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of information:** <http://tajikngo.tj>; "Rushdi barnomai schakhrvandi dar Tchumkhurin Tajikistan", Yusufbekov Yu., Bobotchonov R., va gaira, Dushanbe 2009; "Malutnomai sozmonkhoi gairidavlatii Tajikistan", edited by Sulaimonova D., Kosimova B. Dushanbe 2009; survey analysis, interviews.

**Any Additional Information**

**PP15 QUALITY OF MEDIA COVERAGE OF ELECTRICITY POLICY AND REFORM**

Elements of quality		Explanation
Volume of coverage	Yes	All newspapers have several articles on policy decision
Quality of coverage	No	Quality of coverage is limited by providing a short informational message
Balance of coverage	No	Other news in the electricity sector prevail over policy decisions

**Continued explanation:**

Starting from January 2009, electricity tariffs were raised by 25%. The most popular in newspapers in Tajikistan were monitored from December 2008 to the end of January of 2009. Coverage was found to be one-sided and had a purpose of informing people about decisions already taken rather than stimulating debate. Almost all newspapers covered a tariff increase with the short news item, while the main headline was an appointment of a new head of “Barki Tajik” holding. The reason for such poor coverage is that this tariff increase was a planned event, therefore, all newspapers have had covered it before. Nevertheless, the research results show a lack of sufficient attention to be paid to such important decision as tariff increase.

VALUES	SELECT
Not applicable/ Not assessed	
Media coverage does not meet even one element of quality	Low
Media coverage meets <b>one - two</b> elements of quality	<b>Medium</b> ✓
Media coverage meets <b>all three</b> elements of quality	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of information:**

**Additional information:**



**PP17 PUBLIC DISCLOSURE OF INFORMATION ON THE BASIS AND GOALS OF POLICY REFORM**

Elements of quality		Explanation
Breadth of documentation availability	No	Both passive and active searches (through websites and sending requests) for background documents (official government documents) that underpin a recent policy decision to increase tariffs showed, it is almost impossible for an ordinary individual to get access to them.
Ease of access	No	It is very difficult to obtain information on tariff changes. Text of corresponding laws, decrees or other documents are not easily available.
Timeliness of availability	No	It is very difficult to obtain information on tariff changes; one can only get it in value terms. Text of a corresponding law, decree is not easily available.
Accessible by a range of stakeholders	No	Up to date information is available through the commercial sources (such as commercial legal databases) only.

**Continued explanation:**

The text of the most important change at legislative level - Governmental Decree on tariff increase is impossible to get for an ordinary individual or the public. Based on our understanding that it is better to get information from original source to evaluate first three elements of quality of this indicator, we have sent a “disguised” request to the Ministry of Energy and Industry of the RT, both from an individual and a CSO. We did not receive any response within a corresponding period (one month, according to the Law “On public requests” of the RT), nor by the end of our research. As review of the requests to the Ministry of Economic Development and Trade demonstrated, the text of the Governmental Decree is not disseminated; requested information is given to selected consumer groups.

Such decrees are available through the commercial legal databases only. For example, the price of the database “Pravo-Consultant” starts from 900 somoni, monthly renewal fee is \$140, which is quite expensive for an average person.

VALUES	SELECT
Not applicable/ Not assessed	
No information is available on background documents that provide the basis for policy decision	Low ✓
Information available to the public meets <b>one - two</b> elements of quality	Medium
Information available to the public meets <b>three - four</b> elements of quality	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of information:** Sample requests sent on behalf of individuals and CSOs, website information, legal database, and analysis of the requests.

**Any Additional Information**

**PP18 EFFECTIVENESS OF PUBLIC PARTICIPATION PROCESS**

Elements of quality		Explanation
Quantity of participation	No	For the last three years there have been 5 different laws with public input.
Breadth of participation	No	On average, the Parliament considers around 100 different legislative drafts annually. Baseline legislation was accepted in a period from 1995 to 2005; therefore, most legislative drafts within the last three years represent changes and additions to existing laws, ratifications of international treaties and agreements and so on. Last year, out of 138 approved legislative drafts, only 22 were new. Thus, percent of public participation in a debate on a total number of new laws is around 14.
Summary of public participation	Yes	The final policy decision accounts for suggestions to legislative drafts. But these suggestions were proposed by academia and Public Council under the President of the RT, and not entirely by civil society groups.
Response to public participation	Yes	The final policy decision contains reference to public input.

**Continued explanation:**

Every season (one year) the Parliament considers on average around 100 different legislative drafts. Last season (October 01, 2008 –April 30, 2009) 138 legislative drafts were approved, 22 of them were new. However, public input was minimal, only 3 out of 22 laws. Most significant comments and analyses were submitted by Public Council under the President of the RT, Academy of Science of the RT, and professional unions. It is difficult to assess other forms of public participation through the delegates and electorate, although they may have provided input too.

VALUES	SELECT
Not applicable/ Not assessed	
The policy process met <b>no</b> elements of quality	Low
The policy process met <b>one</b> element of quality	Low-medium
The policy process met <b>two</b> elements of quality	<b>Medium</b> ✓
Participation and responsiveness met <b>three</b> elements of quality	Medium-high
Participation and responsiveness met <b>all four</b> elements of quality	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of Information:** Information from a consultant from the Parliament, as well as interviews with CSOs.

**Any Additional Information**

**PP23 TRANSPARENCY OF DONOR ENGAGEMENT THROUGH POLICY LOANS**

Elements of quality		Explanation
Transparency on policy position	No	Information about major donors (ADB, IDB, WB) in the electricity sector is provided on their websites, however it is provided in English. Islamic Development Bank does not have a representative office in Tajikistan.
Transparency on conditions	No	Short descriptions of conditions on grants and loan disbursements are available through the websites, but in English only. Therefore, most population is not able to read it.
Transparency about disbursement	No	The results of projects, short project reports are available through the websites, but in English only. It is almost impossible to get such information in the offices of the International Financial Institutions.
Transparency of evaluation mechanisms	No	Evaluation within the banks is done internally; population has no access to it.

**Continued Explanation:**

To assess this indicator, we have sent “disguised” requests to the country offices of the Asian Development Bank and the World Bank. In due time (determined by the national legislation), we have received a response from the ADB to our request sent on behalf of an individual and a CSO. The letter, signed by the head of the country office, referred us to the bank website. Information on the website was provided in English only. No letter came from the WB office within two months. Meetings and interviews with the heads of the bank country offices showed that they recognize a lack of awareness among population. They promised to take measures to raise awareness among population, translate their website materials and share more information from now on.

VALUES	SELECT
Not applicable/ Not assessed	
Transparency in use of policy loans meets <b>no</b> elements of quality.	Low ✓
Transparency in use of policy loans meets <b>one</b> element of quality.	Low - Medium
Transparency in use of policy loans meets <b>two</b> elements of quality.	Medium
Transparency in use of policy loans meets <b>three</b> elements of quality.	Medium - High
Transparency in use of policy loans meets <b>four</b> elements of quality.	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of information:** Sample “disguised” requests, interviews with the Bank employees, interviews with the bank-watch organizations

**Any Additional Information**

**PP24 TRANSPARENCY OF DONOR ENGAGEMENT THROUGH TECHNICAL ASSISTANCE**

Elements of quality		Explanation
Transparency of details of technical assistance	No	Relatively transparent, projects information is available through the website, in English only
Transparency on outputs	No	Project results are available through the websites, they are short, not detailed or informative, in English only
Wide dissemination of effort	No	No efforts are made to disseminate project results
<b>Continued Explanation:</b> Access to information and transparency of donor engagement through technical assistance are similar to criteria of the previous indicator. All information on technical assistance projects is available through the banks' websites and in English only. The process of hiring consultants at the WB and ADB is internal; information on it is not available to their main partner – Government. Most consultants are hired from abroad. There is a fear that by attracting consultants from abroad, Banks may impact the country's policies.		
VALUES	SELECT	
Not applicable/ Not assessed		
Transparency of donor technical assistance meets <b>one</b> element of quality.	Low ✓	
Transparency of donor technical assistance meets <b>two</b> elements of quality.	Medium	
Transparency of donor technical assistance meets <b>all three</b> elements of quality.	High	

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of information:** interviews with the Bank employees, interviews with the bank-watch organizations, analysis of ADB and WB website information

**Any Additional Information**

## RP19 PROCEDURE FOR PUBLIC ACCESS TO REGULATORY BODY DOCUMENTS

Elements of quality		Explanation
Well-indexed database of documents	No	There is no database
Simple, well-defined procedure for inspecting / obtaining documents	No	There is a general procedure for obtaining documents, described by the Law “On public requests.” However, there is no specific procedure for obtaining documents from the relevant departments. The law has not been operationalized in departments mandated to regulate the energy sector.
Reasonable cost	No.	Copies of documents are not provided at all, criterion is not applicable
Wide dissemination of information	No	No system in place for information dissemination

### Continued explanation:

Indicators RP 19, 20, 21, 24 assess different aspects, related to transparency of work of the regulatory body, its reports and public participation in the regulatory process.

Initially, it has been decided to treat two ministries: Ministry of Energy and Industry and Ministry of Economic Development and Trade as the regulatory body. By Ministerial Decree, the Ministry of Energy and Industry serves as the government body that defines policy in the energy sector. The Ministry of Economic Development and Trade plays a role in setting tariffs. However, the authorities of the Ministry of Energy and Industry are quite limited. From all the regulatory decisions, the Ministry issues licenses only. Thus, there is no access to such information within the Ministry.

Neither ministry has a special procedure in place to obtain information. Despite the Law “On public requests,” we were not able to obtain such information from the Ministry of Energy and Industry using the general procedure to send “disguised” requests. The requests were sent on behalf of an individual and a CSO. We haven’t received any response within a period established by law (one month) and as of today.

VALUES	SELECT
Not applicable/ Not assessed	
Procedures for public access to regulatory documents meets <b>no</b> elements of quality	Low ✓
Procedures for public access to regulatory documents meets <b>one</b> element of quality	Low - Medium
Procedures for public access to regulatory documents meets <b>two</b> elements of quality	Medium
Procedures for public access to regulatory documents meets <b>three</b> elements of quality	Medium - High
Procedures for public access to regulatory documents meets <b>all four</b> elements of quality	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of Information:** Disguised requests, interviews with the Ministry staff

**Any additional information:**

**RP20 SPACE FOR PUBLIC PARTICIPATION IN THE REGULATORY PROCESS**

Elements of quality		Explanation
Laws, rules have provisions on hearings	No	There are no relevant statues (laws, rules, regulations) on public participation, nor a special procedure to allow for such participation
People are allowed to participate in the proceedings	Yes	The public is not prohibited from attending the Ministry's events, they are not closed-door.
<p><b>Continued explanation:</b>                      The official form of decision process in the Ministry is collegial; however, they have to be approved by the Ministers of these Ministries. Decisions are prepared as a part of the day-to-day work of the corresponding ministry departments; collegial meetings are held every quarter. Collegial meeting is a meeting of "colleagues", members of organizations in this sphere. Access to participation in collegial meetings to the public is not prohibited. However, no particular attention is paid to public participation. Representatives of professional unions usually participate in these meetings.</p> <p>There is no special procedure for public participation at that level. Participation is minimal.</p>		
VALUES	SELECT	
Not applicable/ Not assessed		
Laws states that regulatory proceedings are <b>not open</b> and the public has <b>no</b> right to Participate	Low	
Laws state that <b>unless</b> the regulatory body makes a special order, proceedings before the body are <b>not open</b> and the public <b>has no right</b> to participate	Low - Medium	
Laws <b>do not specify</b> whether proceedings before the regulatory body are open to the public or if the public can participate in the proceedings	<b>Medium</b> ✓	
By law, all proceedings before the regulatory body are <b>open</b> to the public, but the public has <b>no right</b> to participate	Medium - High	
By law, all proceedings before the regulatory body are <b>open</b> to the public, <b>and</b> the public <b>has the right</b> to participate	High	

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of Information:** disguised requests, interview with the Ministry employee, Decree of the Ministry of Energy and Industry

**Any additional information**

## RP21 PUBLIC ACCESS TO REGULATORY DOCUMENTS AND HEARINGS

Elements of quality:		Explanation
Number of public requests for documents	No	Every month the ministries receive 20 to 100 requests from different organizations and individuals. There are almost no requests for published documents such as orders and rules / regulations.
Participation in public hearings	No	No public hearings are held on decisions of the regulatory bodies.

### Continued explanation:

#### Ministry of Energy and Industry

Starting from creation of the Ministry of Energy and Industry, there have been issued two normative acts (farmoish) with external regulatory power. One was covering the licensing issues, another one – the work of Electric Inspection Service. Other regulatory documents are of internal character and distributed only within the Ministry and its departments. In fact, the Ministry is not given the authorities to decide the most important issues in the electricity sector – setting tariff policy, control over contractual agreements, issues of interaction between suppliers and consumers, rules and regulations. It explains why no one has sent any request letter to obtain information and regulatory documents. As in the previous indicator, no public hearings and consultations are being held at the ministry level. Therefore, it is hard to trace public participation. Another research effort (through sending disguised requests to obtain information) demonstrated that it is almost impossible to get information from the Ministry of Energy and Industry using a general procedure. Written requests sent to the Ministry on behalf of an individual and a CSO were not answered.

#### Ministry of Economic Development and Trade

Information on electricity tariffs is the type of information that individuals and organizations in the electricity sector might be highly interested in. Based on the authorities given to the Antitrust Enforcement Agency, the Ministry sets electricity tariffs. Individuals and organizations sent requests to the Ministry several times within the last year. However, most of the time, these requests are narrow in a sense that they inquire explanation of tariffs for certain categories of customers only.

As mentioned earlier, individuals, organizations have a right to participate in the meetings. But as a Ministry employee mentioned, only invited individuals participate in collegial meetings. Also, there is no special procedure for public participation in decision making process.

VALUES	SELECT
Not applicable/ Not assessed	✓
In the last one year there were <b>up to 10 'instances'</b> of use of procedures and spaces for public access to documents and hearings	Low
In the last one year there were <b>11 - 25 'instances'</b> of use of procedures and spaces for public access to documents and hearings	Medium
In the last one year there were <b>more than 25 'instances'</b> of use of procedures and spaces for public access to documents and hearings	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of Information:**

**Any Additional Information:**

## RP24 INTERVENTIONS BY CIVIL SOCIETY IN THE REGULATORY PROCESS

Elements of quality		Explanation
Number of cases filed	No	No cases were filed by consumers or civil society organizations
Nature of cases filed	No	N/A
Number of civil society organizations involved	No	N/A

### Continued explanation:

#### Ministry of Energy and industry:

As Indicators RP 19, 20, 21, 24 demonstrated, public participation in the regulatory process at the Ministry level is almost impossible due to two main reasons: Decisions and normative acts of the Ministry, except two mentioned, are of internal character. Thus, there is no public interest at this level. No decisions at the ministry level are taken through the meetings and debates; therefore, a “physical” intervention into the process is impossible. Nevertheless, a decision making process is not closed to the public. The public participates in the collegial meetings of the Ministry. Apart from that, the Ministry must announce the results of its work at a press-conference held quarterly. But the nature of the Ministry’s work does not attract public attention to come to collegial meetings.

#### Ministry of Economic Development and Trade

Participation of individuals and civil society organizations in collegial meetings cannot be considered as an intervention to the regulatory process. This is especially true, given the fact that the Ministry is not the ultimate agency to approve such issues as, for example, tariff increase. It simply provides its “opinion” on tariff appropriateness and whether it conforms to the antitrust legislation, level of economic development, and affordability to consumers.

VALUES	SELECT
Not applicable/ Not assessed	
During the last two years no cases were filed before the regulatory body by consumers or civil society organizations / groups	Low ✓
During the last two years one or more cases pertaining to “private interests” were filed by consumers / groups	Low-Medium
During the last two years between one and three “public interest” cases were filed by civil society organizations / groups	Medium
During the last two years more than three “public interest” cases were filed by civil society organizations	Medium-High
During the last two years, apart from meeting the above criteria, (i.e. more than three public interest cases) more than two civil society organizations / groups were involved in the “public interest” cases / appeals	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of Information:**

**Any Additional Information:**



**RP25 ELECTRICITY PROVIDER ENGAGEMENT WITH CIVIL SOCIETY ORGANIZATIONS AND POTENTIALLY AFFECTED POPULATIONS**

Elements of quality		Explanation
Designated department	No	The main electricity provider in Tajikistan does not have any department with responsibility for engaging and consulting the public.
Corporate policy addresses community engagement	No	There is no formally defined corporate policy to address community engagement
Creation and operation of a consultation group	No	Electricity provider is not obliged to create a consultative group
Support for weaker groups	No	Electricity provider does not allocate resources to more vulnerable groups. Such support is included in the authorities of government agencies. Electricity provider simply serves as an executive agency.
Information on how groups can file complaints	No	Absent

**Continued explanation:**

The main electricity provider in Tajikistan “Barki Tajik” has a press-center with 5 employees. The main function of the center is to work with the media and provide them with official information. However, the press-center does not have direct contact with population; it is not part of its functions. There is no designated department at Barki Tajik responsible for working with vulnerable or weaker socio-economic groups. The company publishes a magazine “Neru”, once in every quarter, 2000 copies. This magazine does not contain general information for consumers; its sole purpose is to provide information support for the industry. Consumers may send their suggestions, requests and complaints through the mass media, or written claims and so on. Electricity provider does not assess the impact of its activities on consumers.

VALUES	SELECT
Not applicable/ Not assessed	
The most important electricity provider meets <b>no</b> elements of quality for effective engagement with civil society	<b>Low</b> ✓
The most important electricity provider meets <b>one</b> element of quality for effective engagement with civil society	Low-Medium
The most important electricity provider meets <b>two</b> elements of quality for effective engagement with civil society	Medium
The most important electricity provider meets <b>three</b> elements of quality for effective engagement with civil society	Medium-High
The most important electricity provider meets <b>four</b> or more elements of quality for effective engagement with civil society	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of Information:**

**Any additional information:**

**RP27 DISSEMINATION OF DECISIONS**

Elements of quality		Explanation
Easy availability	No	All orders / decisions of the regulatory body are only accessible to stakeholders through written requests, other sources are not available.
Timely availability	No	Even written requests typically do not receive a response
Local language	Yes	Decisions are available in Tajik and Russian, but only internally
Use of multiple modes of dissemination	No	The regulatory body does not make special efforts to disseminate important decisions of the regulatory body. There is no such information on the Ministry's website.
Help in understanding orders	No	Not applicable

**Continued explanation:**

**Ministry of Energy and Industry**

Orders and decisions of the Ministry of Energy and Industry are not external. The only two external decisions of the Ministry were issued several years ago. Assessment for this indicator is not applicable, because:

- There is no formal procedure to disseminate the decisions of the Ministry. One can learn about the work of the Ministry after the press-conferences.
- Orders and decisions of the Ministry are not of external nature; therefore, there is no need to be concerned with their wide dissemination.
- Information on orders and decisions is also not available through the Ministry's website (<http://www.minenergo.tj>)

**Ministry of Economic Development and Trade**

Orders and decisions of the Ministry of Economic Development and Trade are more of external nature when compared to the Ministry of Energy and Industry. During the research, the website of the Ministry of Economic Development and Trade [www.met.tj](http://www.met.tj) was under construction, thus it was not available for analysis. Otherwise, both ministries have similar policies to disseminate their decisions. Information on taken decisions is disseminated through the mass media; however, the decision itself (order, regulation, farmoish) is not accessible by a regular individual.

VALUES	SELECT
Not applicable/ Not assessed	
The process for dissemination of the regulatory body's orders / decisions meets no elements of quality	Low
The process for dissemination of the regulatory body's orders / decisions meets <b>one to two</b> elements of quality	<b>Low-Medium</b> ✓
The process for dissemination of the regulatory body's orders / decisions meets <b>three</b> elements of quality	Medium
The process for dissemination of the regulatory body's orders / decisions meets <b>four</b> elements of quality	Medium-High
The process for dissemination of the regulatory body's orders / decisions meets <b>five</b> elements of quality	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of Information:**

**Any Additional Information:**

## RP32 CONSUMER SERVICE AND QUALITY OF SUPPLY

Elements of quality		Explanation
<b>Existence of Standards</b>		
Standards for consumer service and supply quality	Yes	In 1997 the regulator adopted the international standards for quality of electricity supply
Supply standards are mandatory	No	Regulated entities are not required to meet these standards
<b>Quality of Standards</b>		
Monitoring performance	No	There is no systematic mechanism to monitor actual performance in terms of consumer service and quality of supply
Compliance reviews	No	There are no periodic reviews to evaluate compliance with the standards of performance
Compliance review information / results publicly available	No	None
Consumer grievance	Yes	There is a procedure for addressing consumer grievances regarding service and quality of supply. There is also a legal framework to regulate relationships between consumers and electricity suppliers

### Continued Explanation:

Starting from January 1999, the international standard “Electric energy. Electromagnetic compatibility of technical equipment. Power quality limits in public electrical systems (GOST 13109-97) came into operation. This standard was recognized by the International Council on standards, metrology and certification (protocol № 12—97 dated 21 November 1997). This standard determines the “indicators and norms of quality of electricity in public electrical systems of alternating three-phase and one-phase current with 50Hz frequency in points connecting different consumers of electricity, or receiving terminals. This standard is mandatory for all electricity supplied in Tajikistan. However, there has been no certification of electricity produced in Tajikistan. It is being sold without a required certification. Therefore, there is no performance monitoring.

The system of state and public consumer rights protection is quite rigid. It has been formalized in the law”

On consumer rights protection” dated 09 December 2004. The Government approved a Regulation “On measures to implement the Law of the RT “On Consumer rights protection.” This Regulation approved ten supplements to the Law “On Consumer rights protection.” Other norms of civil rights law also address consumer rights protection.

But there are no real bodies to implement these norms in Tajikistan. The responsibility for state consumer right protection is included in the functions of the Ministry of Economic Development and Trade. According to the message received by the informational agency “Asia plus”, the employees of the Ministry re-address the consumers’ requests in the electricity sector to the public organizations for consumer rights protection (<http://www.asiaplus.tj/articles/101/3090.html>, dated 19.02.09). There are only two public organizations to protect consumer rights. Only one of them – Consumers Union of Tajikistan – has a service to accept the individual requests. Due to financial constraints, this service is provided in three major cities of Tajikistan only. This does not allow us to cover all consumers. Apart from that, as judicial practice demonstrates, it is difficult to pass court decisions due to the absence of evidence base and performance standards. That is why the functioning of such system, notwithstanding a presence of request procedures, consumer rights protection systems and an adequate legislature, is very weak.

VALUES	SELECT
Not applicable/ Not assessed	
There are <b>no</b> well-defined standards of performance for consumer service and quality of supply	Low ✓
Consumer service and quality of supply standards exist, but they are <b>not</b> mandatory	Low – Medium
Consumer service and quality of supply standards are mandatory, but they meet <b>one</b> element quality	Medium
Consumer service and quality of supply standards are mandatory, but they meet <b>two – three</b> elements of quality	Medium – High
Consumer service and quality of supply standards are mandatory, they meet <b>all four</b> elements of quality	High

**Researcher Name and Organization:** Bakhadur Khabibov, Consumers Union of Tajikistan

**Source of information:** GOST 13109-97 (Government standards), interview with the representative of Tajikstandard and employee of the Ministry of Economic Development and Trade, newspapers

**Any Additional Information:**