



**"Enhancing Investment Promotion in Tajikistan"
Third working group meeting, 5 October 2021**

*Investing in digital connectivity infrastructure,
a priority for recovery and growth of Tajik economy.*

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Digital Connectivity Infrastructure Expert



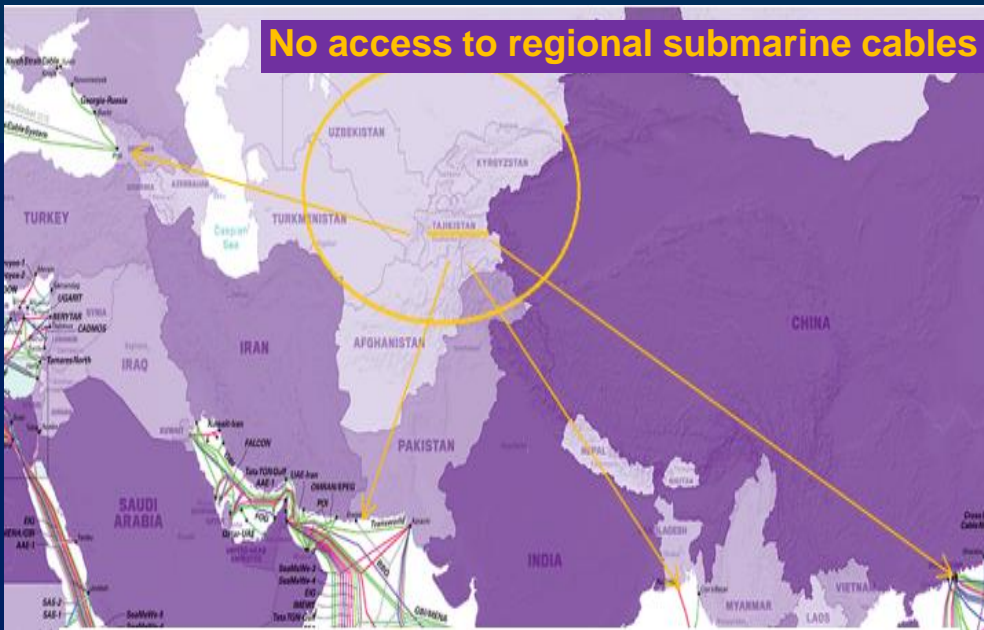
This project is funded
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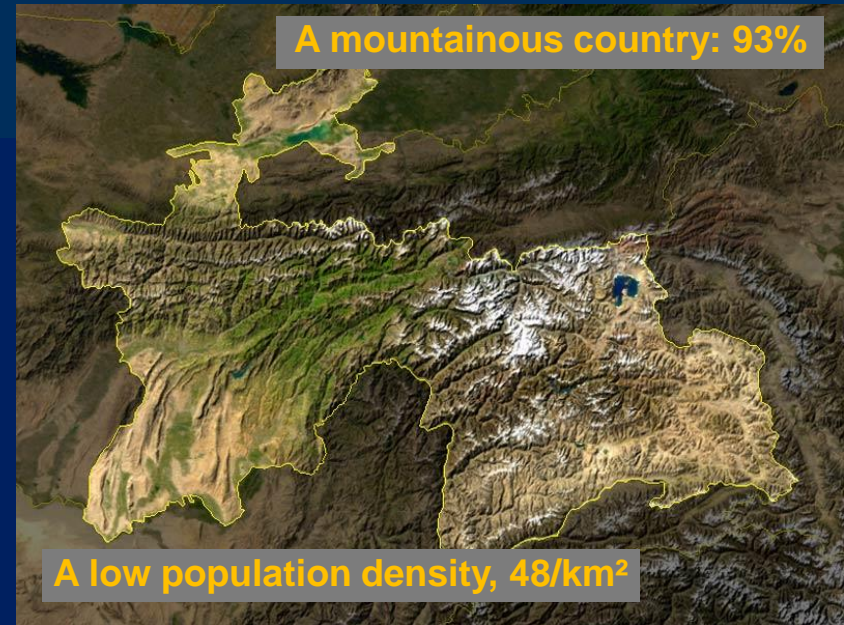
Project implemented by Luvent Consulting in consortium with SAFEGE

The specificities of the Tajik telecom sector

No access to regional submarine cables



A mountainous country: 93%



A low population density, 48/km²

DATA GROUP

RETN

Transnational FOCLs in Central Asia



Outside of optic fiber routes

International

Türk Telekom International

...or in a dead end!



Current situation in the Tajik telecom sector

No connection to regional submarine cables...

Outside of optic fiber routes...

Not integrated by Central Asian FOCLS in the international traffic...

International infrastructure gap...

FBB penetration rate lower than 1%...

A dramatic digital divide!



... but three telecom operators have already launched 5G networks in Tajikistan

Bridging the **international** digital infrastructure gap with digital international corridors along Central Asian highways (AH7, AH65, AH66), and TRACECA (T-23, T-34)

Main objectives

Launching *regional digital projects* to set up cross-border cyber resilient infrastructures

enabling better and more secure trade and data transfer

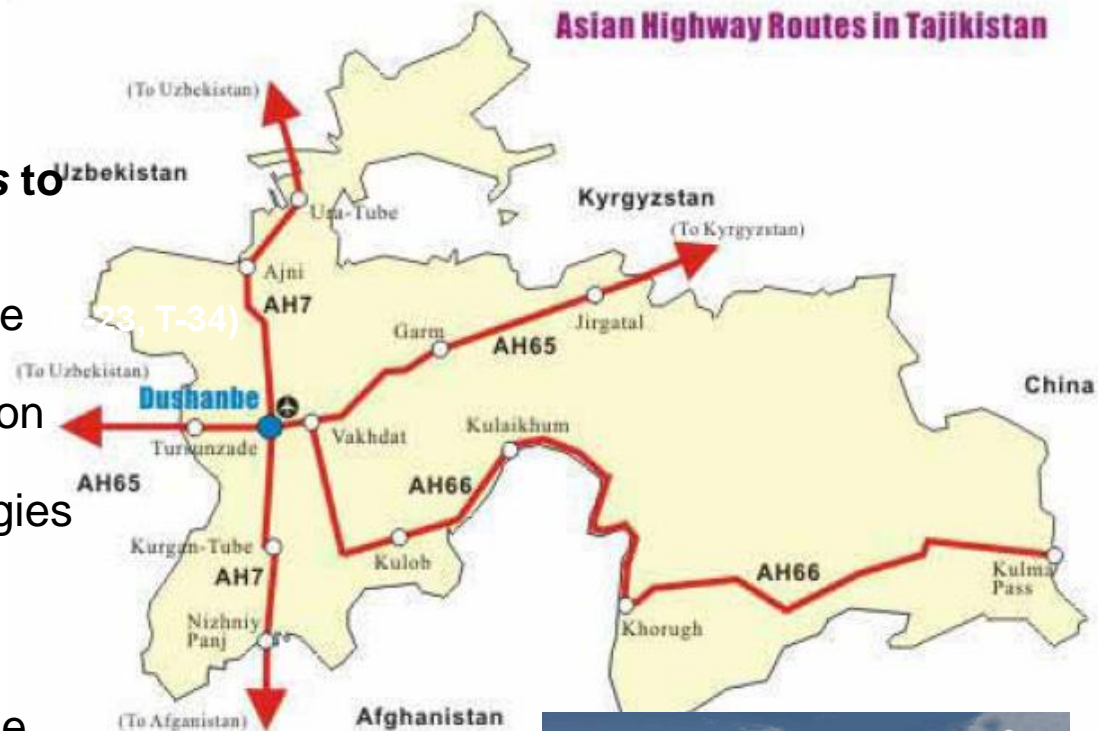
bridging the gaps in the communication infrastructure

including optic fiber and 5G technologies

Developing international transport and trade potential

fostering a Central Asian Digital Single Market

fostering a regional Central Asian digital economy.



How to take advantage of transport corridors to build cross-border telecom infrastructure

Investing money for what to do?

- *Construction of optical communication lines and 5G infrastructures along highways and at key border crossings*

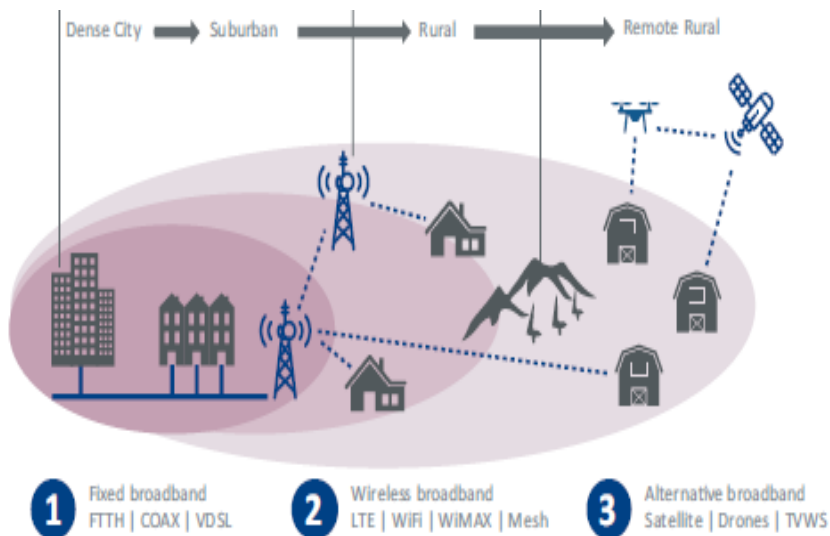
Improving the necessary legal framework in order to

- *Establish an independent national regulatory body for telecommunications and transfer to it the regulation of the sector*
- *Remove the state monopoly on the traffic of international telecommunications*
- *Share physical infrastructure to simplify and reduce costs of building networks with provisions similar to the European DIRECTIVE 2014/61/EU*



Bridging the **national** digital infrastructure gap setting up a public internet access with 530 administrative centers providing eGov services

INNOVATIVE BUSINESS MODELS for CLOSING THE ACCESS GAPS



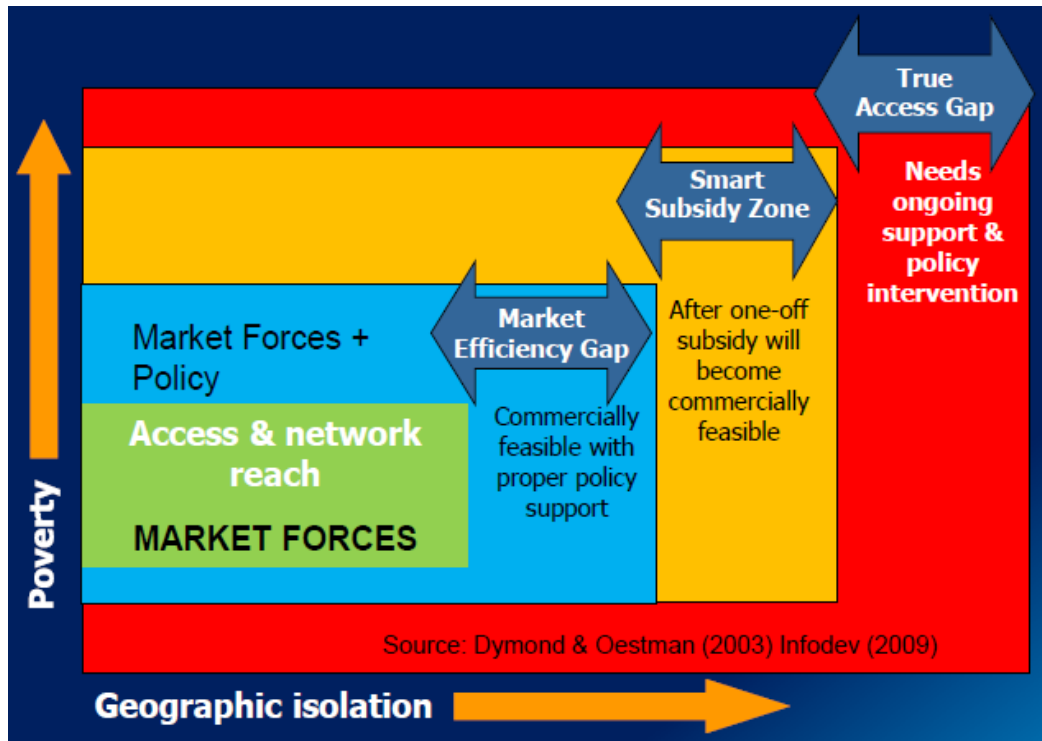
The aim of the project

- provide convenient and cheap broadband access to Internet at the community level by creating collective Internet access points and providing e-government services at these points to issue permits, certificates and licenses, etc., as well as entrepreneurs and **investors in the form of the "Single Window"**

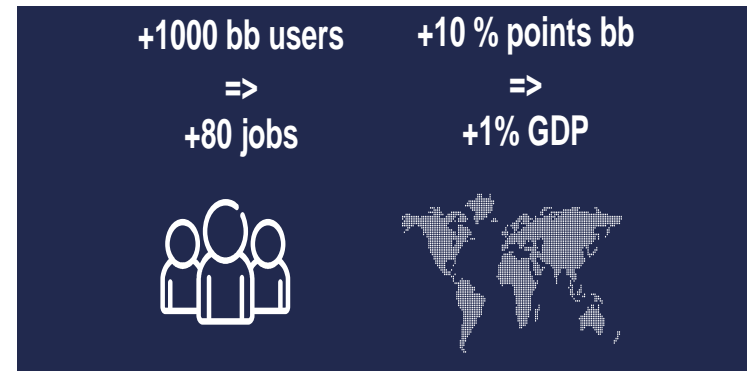
The measures to improve the legal environment

- include in the universal services list Internet access, broadband and data transfer
- develop and approve bills and other regulatory legal acts about incentives for investing in FBB&MBB nets in rural and mounting areas

Public internet access to eGov services everywhere! Universal access service and broadband do matter!



Summary of broadband benefits



+ 2 x bb speed => + 0.3 % gdp

Arthur D. Little *Broadband boost linked to economic growth.*

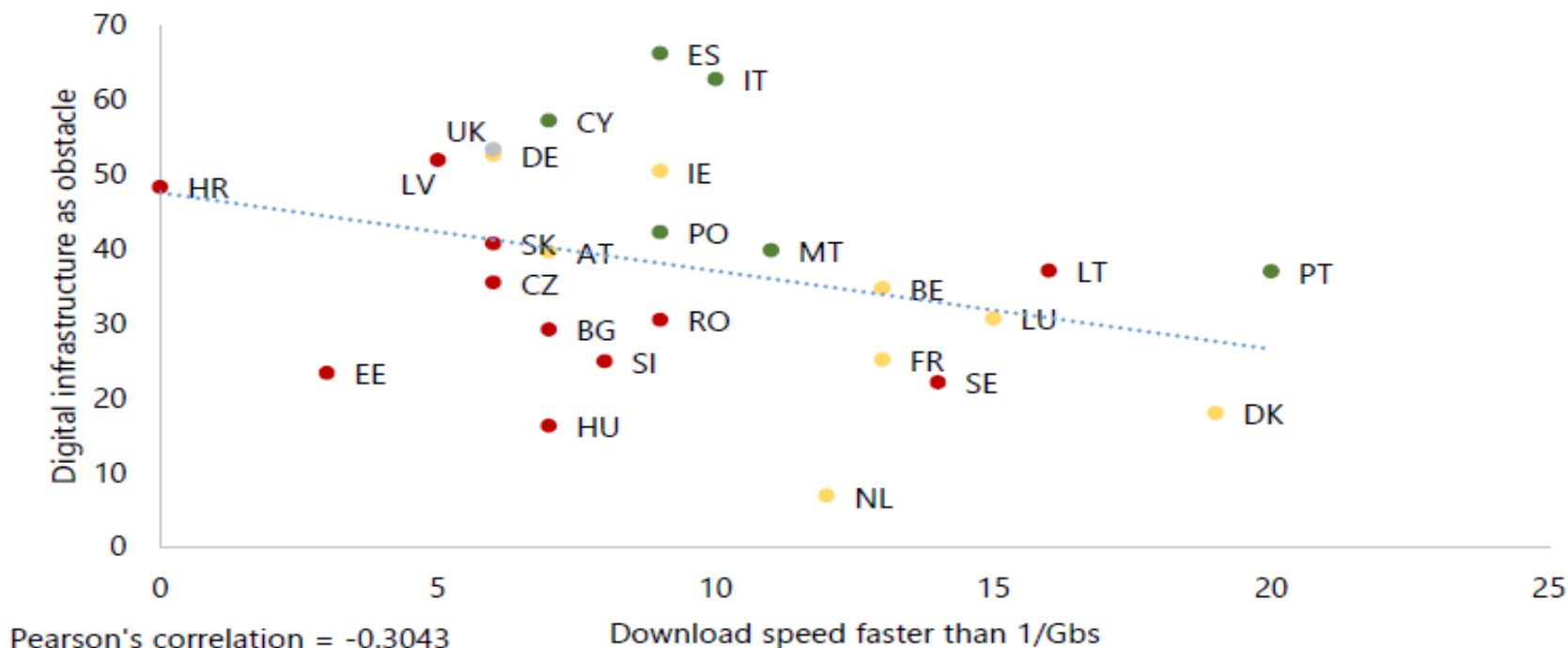
- Introduce BB access to the Internet in the legislation related to Universal Service
- Define technical specifications for fixed and mobile BB in laws and regulations



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High level digital infrastructure with high speed internet to **attract foreign investment** in Tajikistan

Download speed faster than 1/Gbs (% of households) and digital infrastructure as an obstacle to investment (% of firms), by country



Source: EIBIS (2020) and Eurostat.

Note Firms are weighted using value added.

Proactive digital tools to promote investment opportunities in Tajikistan

Digital trade and economic missions



Implementation of «*digital missions*» to reach potential foreign investors...

...using digital technologies for meeting and presenting investment opportunities, building business relationships, negotiating, and concluding agreements in electronic format, which is particularly useful in times of crisis, such as the Covid 19 pandemic



Our recommendations, complementary to the ones of the OECD Council on Broadband Connectivity

Recommendations of the Council on Broadband Connectivity, OECD/LEGAL/0322	Recommendations of the “Strategic Analysis of Tajikistan's Digital Capabilities” Team
<ul style="list-style-type: none"> • Promoting competition in all markets for high-capacity network infrastructures and services with non-discriminatory policies to expand and achieve end user choice for connectivity at competitive prices capable of supporting modern applications. • Reducing barriers to broadband deployment through regulation and policies to enable infrastructure investment, such as: • Facilitating access to passive infrastructure; and incentivising communication network operators to co-operate in network development activities involving civil construction works in order to minimise costs, disruption, and environmental impacts. 	<ul style="list-style-type: none"> • Establishing an Independent National Regulatory Body for telecommunications and transferring to it the regulation of the sector • Removing the state monopoly on international telecommunications, abolishing the Decree of the Government n°765-30/12/2015, “On the Single Switching Center of Electric Communications” • Sharing physical infrastructure to simplify and reduce the cost of building networks with provisions similar to the DIRECTIVE 2014/61/EU
<ul style="list-style-type: none"> • Taking timely measures to close gaps in unserved and underserved areas or demographics which are not being adequately addressed while striving to avoid distorting competition, for example through promoting demand aggregation in rural and remote areas. 	<ul style="list-style-type: none"> • Including in the universal services list public internet access, broadband and data transfer • Drafting and approving laws and regulations on incentives for investment in FBB&MBB networks in rural and mounting areas.

Thank you for your time!

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