Regional Initiative: Empowering Smallholders and Family Farms for Improved Rural Livelihoods and Poverty Reduction

Country Report - Tajikistan

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Weight and role of smallholders and family farms in Tajikistan

- Lack of agreed-upon definitions for SHFF;
- Lack of separate statistical information on SHFF;
- Smallholders and family farms are the form of the Dehkan farms;
- Key criteria to define a SHFF is **acreage** (in hectares), used for agricultural purposes, and **number of shareholders** listed in land use right certificate
- The total number of Dehkan farms is 145107; Sughd Oblast (40%), Khatlon Oblast (39%) and DRS (21%);
Weight and role of smallholders and family farms in Tajikistan

- 32% – share of DFs in the total output of agricultural production;
- 3% – share of DFs in the total output of the livestock sector;
- 46% – share of DFs in the total output of the crop production sector;
- The main types of crops produced by the DFs: cereals and pulse crops, cotton, potatoes, vegetables and cucurbits crop.

Conclusions

- Access to finance
  - The credit interest rates higher than 32%;
  - No system of agricultural insurance
- Access to inputs
  - The presence of low-quality seeds, pesticides and fertilizers on the market;
- Lack of own capacities for storage
  - DFs including SHFF have to sell the agriculture products on any terms to intermediaries;
Conclusions

• Outdated equipment
  • most often rented; manual labor is used
• Lack of technical knowledge and financial literacy
  • Lack of a widespread system of advisory services
• Limited access to water resources, including lack of equipment for the cleaning of drainage systems
• The taxes as as barrier for expanding DF
  • In case of diversification of farm activities towards processing

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Conclusions

• Rural areas
  – The 74% of total population is rural;
  – The share of the agriculture in total employment is 65% ;
  – The number of registered and formally employed in the agricultural sector – 495,400 persons; employees in this sector mainly classified as informal;
    • As informal employees they will not receive the labor pension;
  – Women as an informal employees do not receive any maternity support;
  – The poverty rate in rural area in 2015 was 35%, of which 18% were extremely poor;

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Conclusions

Two National Policy documents: NDS 2030 and ARP

• Policy framework:
  – The main goal of the NDS 2030 is the transition of the country's economy from agrarian-industrial to industrial-agrarian,
    • gradual reduction in the share of the agricultural sector in the country's GDP structure to 17-18%;

Conclusions

• Based on ARP several programs were developed, and three of them currently are implementing:
  – Development Program of horticulture and viticulture in the RT for 2016-2020;
  – The State Program for Export and Import Substitution in the RT for 2016-2020;
  – Program for the development of silkworm breeding and processing cocoons of the silkworm in the RT for 2012-2020.
Recommendations

• **Strengthening the quality control system** for imported seeds, pesticides and fertilizers
  – A coalition of the state and the private sector can be created, in which the state has a regulative role;

• **Stimulating cooperation among farmers**
  – The creation of conditions for cooperation; strengthening the lobbying capacity of DFs, access to agricultural equipment and machinery, processing and storage facilities;

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Recommendations

• **Strengthening of value chain**
  – The establishment of a sustainable links between the wholesale buyer, supermarkets and the manufacturer will allow farmers to resolve issues with the sale of products

• **Developing knowledge transfer system, improving the skills of specialized consultants, students and farmers:**
  – Creation of a single, publicly available advisory and information platform
  – Developing a tailor made courses on specific topics can be created on the basis of the existing Adult Education Center (AEC);
Recommendations

- **Regulatory improvements**
  - The creation of an insurance product for agricultural activities;
  - Remove the phrase "without further processing" from Article 298 "General Provisions" of Chapter 44 "Simplified taxation regime for producers of agricultural products (single tax)"

Thank you!