

**Medium-term plan for public debt management reform  
of the Republic of Tajikistan for 2021-2023**

№	Measure	Responsibility	Deadline	Expected Outcome
<b>Pillar 1. Public Debt Management Regulatory Framework</b>				
1.	Drafting and adoption of a new version of the Law of the Republic of Tajikistan "On public and publicly-guaranteed borrowing and debt" dated December 11, 1999, № 887. Ensuring a unified methodology, classification and definition of public debt, public guarantees and other contingent liabilities in the legislative and regulatory framework of the Republic of Tajikistan.	External Debt Department; Domestic Debt Department	By the end of 2021	The new version of the Law will include a definition of public debt management consistent with prudent practice, as well as the requirement for the mandatory drafting of a Debt Management Strategy and annual reporting on the results of the Strategy implementation.
2.	Contemplate the need to adopt the Order of the Ministry of Finance providing for the annual update and publication of the Public Debt Management Strategy.	External Debt Department; Domestic Debt Department	First half of 2021	An annual update and publication of the Medium Term Public Debt Management Strategy will be envisaged.

3.	Drawing up an annual calendar for drafting a new medium-term Public Debt Management Strategy for 2024-2026.	External Debt Analysis Division	First half of 2023	The calendar will outline the processes and actions to be taken (e.g. data collection, debt portfolio analysis, strategy development, circulation for comments, approval), timeframes and specific responsible units within the Ministry of Finance and other relevant departments.
4.	Drafting and approval of a new medium-term Public Debt Management Strategy for 2024-2026.	External Debt Analysis Division	Second half of 2023	Priority areas and scenarios for public debt management will be identified, as well as an assessment of debt portfolio risks for the next medium-term period (2024-2026).
5.	Preparation, coordination with the relevant ministries and agencies (including the NBT), and approval of the Public External Borrowings Program (PEBP) for 2022 and its projections for 2023-2024.	External Debt Analysis Division	By the end of October 2021	Efficiency of regular monitoring of the process of attracting external loans has been improved. Uncontrolled external debt accumulation was prevented through strict adherence to the requirements of the Public Debt Management Strategy for 2021-2023.
6.	Preparation, coordination with the relevant ministries and agencies (including the NBT), and approval of the Public External	External Debt Analysis Division	By the end of October 2022	

	Borrowings Program (PEBP) for 2023 and its forecast indicators for 2024-2025.			
<b>Pillar 2. Public Debt Accounting and Reporting</b>				
7.	Timely publication on the official website of the Ministry of Finance of the Republic of Tajikistan of quarterly (no later than the 10th day of the first month of the next quarter) and annual reports (by the end of March of next year), as well as public debt statistics.	External Debt Department; Domestic Debt Department	Continuously	Access to information on public debt for all stakeholders improved; Tajikistan's rating in the Public Debt Reports Heat Map and other reports, published on the official website of the World Bank, will be revised.
8.	Check all existing debt records - both external and domestic.	External Debt Department; Domestic Debt Department	By the end of 2021	All debt service projections are correct and accurate. Existing debt reporting has been improved to include cost and risk indicators.
9.	Consolidate all public debt data and migrate it to the new debt accounting system.	External Debt Department; Domestic Debt Department	By the end of 2021	Operational risks associated with public debt accounting are minimized.
10.	Installation of DMFAS, a modern public debt accounting and management software, and training of Ministry of Finance staff on the use of the new debt accounting system.	External Debt Department; Domestic Debt Department	First half of 2022	Through using the DMFAS software, employees of the Main Department of Public

				<p>Debt and Investments Promotion will be able to:</p> <ol style="list-style-type: none"> <li>1) Keep records of all information about total public debt, debt securities, as well as public guarantees, on-lending and grants.</li> <li>2) Generate accurate projections and required standard and customized reports, including verification and control reports, and statistical bulletins.</li> <li>3) Perform debt portfolio analysis that will serve as the basis for drafting debt management strategies.</li> </ol>
<b>Pillar 3. Domestic Securities Market Development</b>				
11.	Adopt and clearly signal to the market a new policy for issuing government securities on the domestic market through transparent competitive auctions at market interest rates.	Domestic Debt Department	By the end of 2021	A new policy for issuing government securities has been formulated and adopted. Transparent competitive auctions with market interest rates are carried out.

12.	Conduct regular meetings with local investors to raise awareness on government policies and plans for market operations.	Domestic Debt Department	Continuously	Awareness of participants of the domestic securities market about government policy measures and plans for market operations has been improved.
13.	Development and approval of annual borrowing programs for treasury bills and bonds, as well as the corresponding issuance calendars for government treasury bills based on cash management projections of the Central Treasury.	External Debt Department; Domestic Debt Department	By the end of October 2021	Will allow for improvement of management of funds of the Main Department of the Central Treasury of the Ministry of Finance.
14.	Drafting of Guidelines for Issuing and Circulation of Government Securities, and its submission to the Government of the Republic of Tajikistan for consideration and approval.	Domestic Debt Department	Second half of 2021	Gradual increase of volumes and maturities of government securities on the market, as well as the use of market interest rates.
15.	Strengthen technical capacity of the Ministry of Finance to conduct market research and improve coordination with the NBT as the front office for issuing government securities.	Domestic Debt Department	First half of 2022	Domestic debt department staff will be able to conduct appropriate market research to improve the efficiency of government securities issuance. Coordination with the NBT on issues of government securities and treasury bills will be improved.

16.	During the next period of the Public Debt Management Strategy, plan for a gradual increase in the volume and maturity of government securities.	Domestic Debt Department	First half of 2022	Increased demand for government securities from market participants.
<b>Pillar 4. Debt Sustainability Analysis</b>				
17.	Conduct an annual analysis of public debt sustainability, taking into account the need to attract additional financing to complete construction of the country's strategic facility through the World Bank's Non-Concessional Borrowing Policy (NCBP) and the Sustainable Development Finance Policy (SDFP).	External Debt Analysis Division	At least once a year throughout the entire duration of the Reform Plan (2021-2023)	All possible risks arising in the event of attracting non-concessional borrowings will be taken into account to maintain public finance sustainability.
18.	Identify and analyze existing barriers to the development of efficient primary and secondary government securities market.	Domestic Debt Department	By the end of 2021	The existing obstacles to the development of primary and secondary government securities markets are identified and analyzed. Efficient ways to solving these shortcomings have been developed.
19.	Develop a functional market engagement program that initiates a two-way interaction between the Ministry of Finance, investors	Domestic Debt Department	First half of 2022	Interaction has been established between the

	and the general public, thereby generating more market confidence in government securities.			Ministry of Finance, investors and the general public. The confidence of market participants in government securities has been increased.
20.	Building the capacity of the Ministry of Finance staff to conduct an in-depth analysis of the costs and risks of the debt portfolio and explain to management the trade-offs associated with different borrowing options to improve the overall quality of the debt management strategy.	External Debt Department; Domestic Debt Department	Second half of 2022	The Ministry of Finance staff will be able to analyze costs and risks of the debt portfolio, as well as present the possible outcomes and impact of various borrowing scenarios to the Ministry's management.