

Sixth meeting of the National Financial Stability Council in the Republic of Tajikistan

On January 11, 2022 the sixth meeting of the National Financial Stability Council (Council) was held at the National Bank of Tajikistan under the direction of the Chairman of the Council - Minister of Economic Development and Trade of the Republic of Tajikistan Zavqizoda Zavqi Amin, with the participation of the executives of the National Bank of Tajikistan, Tax Committee under the Government of the Republic of Tajikistan, State Committee on Investments and State Property Management of the Republic of Tajikistan, the Individual Deposits Insurance Fund, representatives of state banks and the Ministry of Finance of the Republic Tajikistan.

At the beginning of the event, according to the agenda of meeting, the progress of implementation of the decisions made at the fifth meeting of the Council was discussed, and the report of responsible officials on the adopted necessary measures on attracting foreign investment to the economy, assessment the ratings of credit financial institutions, regulation and control the activities of pawnshops, enhancement the regulatory framework, and ensuring full compliance of current insurance legislation by these organizations.

It was emphasized that despite the restoration of the global economy, there are still uncertainties and instability in global economy and markets, including rising demand and, inflation expectations, increasing government spending and public debt, threats to food security, and the negative consequences of climate change, which may have impact the national economy. Amid the current economic situation, and to ensure financial stability, mitigate the impact of external and internal risks, and promote sustainable and inclusive growth of the national economy, ongoing collaboration between key ministries and agencies is essential.

During the meeting, the Council members have made presentations on ensuring fiscal stability, the adoption of a new tax code, the activities of state-owned banks and methods for reducing potential risks, and the banking sector lending process.

It was also noted, that in this difficult global economic and geopolitical situation issues such as increasing the efficiency of public finance management, introducing a simplified tax system, strengthening the risk management system, improving the process of lending, developing entrepreneurship and increasing investment and, on this basis, ensuring the further development of the country,

taking into account the continuation of reforms in certain areas, identifying challenges and implementing specific measures in these areas, activating important sectors of the economy, are essential.

At the end of the meeting the Council adopted relevant decisions regarding ensuring financial stability, the emergence of potential fiscal risk, increasing capital and strengthening corporate governance in state-owned banks, and strengthening risk management based on the practices of other countries were made. Council members were also tasked with overseeing the timely, complete, and high-quality implementation of assigned tasks and previously adopted decisions, in close collaboration with key ministries and agencies.

It should be noted that the National Financial Stability Council in the Republic of Tajikistan is an interagency consultative permanent body, and was established by the Resolution of Government of the Republic of Tajikistan dated June 21, 2018 No. 331 to consider issues related to ensuring financial stability, identifying risks in the financial system and proposing measures for their reduction.