

# Local Economic Development in Selected High Mountain Regions

Support to young people in finding jobs or accumulating funds for independent living

## Background

Tajikistan, with a Gross Domestic Product of US\$ 830 per capita, is one of the poorest countries of the Central Asian region. More than half of the population is under 25 years old. Creation of new jobs is a way forward to allow more people to earn sufficient for their living. The conditions in the country's high mountainous areas are even more tense.

Moreover, climate change poses an additional big challenge: harvest losses due to unfavourable weather and climate change lead to reduced food and nutrition security.

The main economic sector - agriculture - provides only few new jobs, and other sectors of the economy are too weak and underdeveloped to fulfil the job market needs. In reaction to this, many Tajiks migrate to Russia and Kazakhstan for work. However, due to the unpredictable economic situation in those countries, migrant workers are often forced to return to their homeland or cannot even leave Tajikistan.

## Objective

The objective agreed with the partners is to support suitable measures that will help to improve local economic development and provide young women and men with sufficient and stable conditions for building up self-employment or maintaining dependent employment.

Therefore, the project aims to decrease unemployment by supporting the local economy, with a focus on men and women up to 35 years of age in selected mountain regions, in creating sustainable self-employment or increased dependent work conditions. This is being done in partnership with the economic and invest-

ment departments of the regional Executive Office, NGOs, education and advanced training institutions, and of course, private entrepreneurs.

The project plays mainly an assisting role. It combines the network of various actors and is facilitating activities. The project works to assist existing enterprises to expand their businesses and to create jobs. Furthermore, it motivates start-ups, using the potential and work capabilities of young people. The project region comprises Khorog, Murgab and Shugnan districts in GBAO and Rasht Valley, with the focus on agricultural and transport industries.

Project name	Local Economic Development in Selected High Mountain Regions
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Project regions	Khorog, Murgab and Shugnan districts in GBAO, Rasht Valley
Main state partners	Ministry of Economic Development and Trade of the Republic of Tajikistan (MoEDT)/Executive Body of Public Authority of Gorno-Badakhshan Region (GBAO)
Local partner organisations	Microloan Organization (MLO) „Madina va Hamkoron“ Initiative of AKDN Public Fund “Accelerate Prosperity” School for Professional and Continuous Education (SPCE) Mountain Societies Development Support Programme (MSDSP)
Intervention areas	Agriculture and Transport sectors
Duration	October 2016 to July 2019 (extension is foreseeing)



Left: Support to agriculture sector. Greenhouse in Khorog

Right: Support to agriculture sector. Yak milk processing and yak cheese production

Left: Transport maintenance services

Right: Beekeeping and honey production



## Scope of work

The project's activities focus on promoting the local economy and entrepreneurship and employment by matching young people's qualification to the demand of the local labour market. Therefore the project:

- conducts market surveys
- assesses companies' productivity, deficits and potentials
- evaluates the demand of professional skills
- evaluates professional and vocational educational training opportunities for young people
- organises events for young people and their families on professional possibilities and requirements of labour market
- organises opportunities for on-job-training
- trains technical and management staff
- evaluates business ideas and develops business concepts in Murgab and Shugnan districts
- supports new and existing companies, e.g. to develop new products, market strategies related to the company and consider the market segments, optimization of the production processes, development and application of business plan, etc.
- improves company links with resource providers
- establishes synergies between companies
- supports value-chain development for apple, potato and milk producers in Rasht Valley
- assists start-ups and existing small-scale businesses in agriculture and transport sector by providing trainings and micro loans in cooperation with local partner MLO "Madina va Hamkoron"
- conducts business trainings for start-ups in collaboration with partner organization Accelerate Prosperity. Scope of out-reaching: Murgab, Shugnan and Roshtkala districts

- provides participative, action-oriented training related to entrepreneurship via experiential learning methods by Competency based Economies through Formation of Entrepreneurs (CEFE) international
- awareness raising and fostering discussions on climate change in the regions.

## Organisational Structure

The Local Economic Development in Selected High Mountain Regions project is built upon clear stakeholder involvement using a participatory approach. The Steering Committee, composed of representatives of public and private partners and chaired by the governor of GBAO, oversees the project activities.

The project involves and provides consulting to the local authority bodies, NGOs, education and advanced training institutions, and representatives of private households.

In addition, forums have been initiated to discuss economic support issues, as well as possibilities for jobs among young people, and to coordinate participation of various actors.

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