

AUDIT OF TALCO AND BARQI TOJIK NEEDED TO GET FULL PICTURE OF FINANCIAL BALANCES OF THESE COMPANIES

“Audit of Tajik Aluminum Company (Talco) and Barqi Tojik Power Holding, provided for by the Staff Monitored Program (SMP), is needed because these companies are Tajikistan’s largest taxpayers and are of significant importance for the country’s budget”, Mr. Luc Moers, Resident Representative of the International Monetary Fund (IMF) in Tajikistan, remarked at a ceremony of presentation of the first staff report in Dushanbe on July 14.

We will recall that the Staff Monitored Program (SMP) covers the period June 1-December 31, 2008. The SMP establishes a macroeconomic framework that will support the country’s efforts at economic stabilization and implementation of structural reforms to help address the current problems faced by Tajikistan. At the core of this program are measures to strengthen the autonomy and governance of the National Bank of Tajikistan (NBT), aiming to address weaknesses exposed by the recent incident of misreporting. Tajikistan reached understanding with Fund staff on the SMP during the April 17-30 mission.

Speaking at yesterday’s meeting, Mr. Moers noted that an audit firm but not the Fund will conduct audit of Talco and Barqi Tojik in order to provide an independent resolution. “We consider that we have not got full information about financial balances or financial operations of these companies and audit will help make activities of the mentioned companies more transparent,” the resident representative said.

On implementation of the monitoring program, the IMF resident representative noted that the Tajik authorities follow the program completely, and although, the program was launched only a month ago, one may say today that the program is being implemented normally.

He added that if the monitoring program is implemented successfully and the audit is conducted properly, the IMF may start negotiations on a new program and provide financing to Tajikistan for the next year.