



Land Reform in Tajikistan:

From the Capital to the Cotton Fields

Obie Porteous
Research Consultant

Dushanbe
October 2003

Table of Contents

I.	Introduction.....	1
II.	Methodology.....	2
III.	Land Reform on Paper.....	3
IV.	Access to Land.....	4
V.	Dehkan Farms in Practice.....	6
VI.	The Current Situation in the Districts.....	7
VII.	Freedom of Choice.....	9
VIII.	The Financial Sector.....	12
IX.	Workers.....	15
X.	Why Have More People Not Taken Land?.....	18
XI.	Program and Policy Recommendations.....	22
XII.	Conclusion.....	25
	Appendix 1: The Law “On Dehkan Farms” (April 2003).....	27
	Appendix 2: Household Questionnaire.....	36
	Appendix 3: Village and Household Selection.....	40
	Appendix 4: List of Selected Villages.....	42
	Appendix 5: Sample Agreement for Rented Land.....	44
	Acknowledgements.....	46

I. Introduction

The implementation of effective land reform has been one of the biggest challenges faced by the Republic of Tajikistan since its independence from the Soviet Union in 1991. During the Soviet period, the country's sparse agricultural land was organized into state farms (sovkhozes) and collective farms (kolkhozes). Sovkhozes were managed directly by the government, while kolkhozes were managed by an administration elected by the members of the farm and approved by the regional Party committee. Both types of farm were large (typically more than 1,000 hectares) and were kept under the close supervision of the state, which set production plans and received monthly reports on their operations.

Beyond its role as economic entity and place of employment, the kolkhoz/sovkhoz was a principal unit of social organization in rural Tajikistan. Each family in the area was given a house with an adjacent household plot for growing food for household consumption. In return, the family was expected to work on the large farm. The workers were organized into brigades, each of which was responsible for cultivating a certain portion of the land. The kolkhoz/sovkhoz management paid salaries to the workers and was also responsible for providing for their health, education, and social welfare.

After independence, the government slowly began to try to break up these large state and collective farms into smaller, more efficient private farms. The first effort to privatize land was in 1992, when the law "On Land Reform" was passed. This law established the basic principles of land reform and set up a special land fund from the excess land not being used by the kolkhozes/sovkhozes. Individuals could apply for land from the special fund to start their own, independent "dehkan farms."

The concept of the dehkan farm was initially somewhat vague ("dehkan" is just the word for "farmer" in Tajik), but it has been extensively defined and specified in subsequent laws. The most comprehensive definition is contained in the law "On Dehkan Farms," which was last revised by the government in April 2003. The full text of this law is contained in Appendix 1 of this report. The land of a dehkan farm remains the property of the state and cannot be bought or sold, but the farmer is granted inheritable rights to land tenure. According to Article 5 of this law, dehkan farmers have complete legal freedom to manage their farms independently. The state collects taxes from the farms and can take back the land if it is not being used effectively.

Starting in 1996, as the country emerged from its prolonged civil war, the government embarked on a new, accelerated land reform project. Beginning with presidential decree No. 522 ("On Restructuring Agricultural Enterprises and Organizations"), a series of laws were passed that aimed to reorganize the kolkhozes/sovkhozes (which by this time had entered a state of profound financial crisis) into dehkan farms. Kolkhozes/sovkhozes that are designated for seed production, livestock breeding, and research are to be kept under the control of the state, but all others are scheduled to be converted into dehkan farms by 2005.

Action Against Hunger (AAH) has been implementing nutrition, health, water/sanitation, and food security programs in Khatlon oblast since 1999. Khatlon is the largest of the four regions of Tajikistan in terms of population, with approximately 2,280,700 people as of January 2003. In former years, the irrigated river valleys of Khatlon were some of the most productive cotton-growing regions of the USSR. During the civil war, the region experienced some of the fiercest fighting, and much of its infrastructure was destroyed. Action Against Hunger's annual nutrition surveys persistently find high rates of both acute and chronic malnutrition in Khatlon.

This study sought to assess the impact of the land reforms at the local level in Khatlon. How have the new laws changed the nature of land access and land ownership in the region? Have

the land reforms improved the situation of the ordinary Tajik villager? How much do rural populations know about the land laws and their rights? What problems have hindered the effective implementation of the reforms by local authorities?

Most importantly, AAH is interested in how access to land can be improved in the future. With this goal in mind, this study is intended to be both a helpful resource for government policy-makers and international organizations and a starting point for more profound analysis and debates on the land reform issue in the months and years to come.

II. Methodology

Five representative districts were selected in Khatlon oblast: Bokhtar, Kabodian, Kolkhozabad, Pyanj, and Shaartuz (see Figure 1). The study was restricted to five districts due to time and resource constraints. The districts were chosen based on information from initial interviews with the Khatlon Oblast Land Committee and Agriculture Department. The goal was to select districts that were in a variety of different stages of the land reform process and that had implemented the land reforms in a variety of ways.

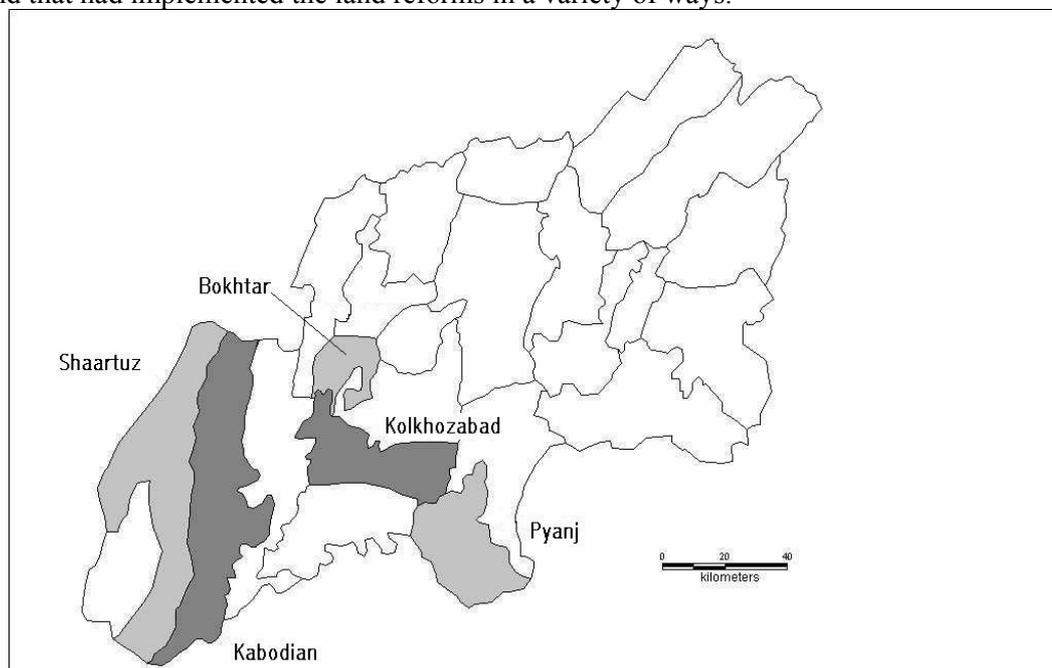


Figure 1. Map of Khatlon Oblast with Five Selected Districts.
AAH Tajikistan 10/2003

As shown in Table 1, these five districts are home to 616,100 people, approximately 30% of the population of Khatlon and 10% of the population of Tajikistan. In the first phase of the study, the researcher met with the district representative of the State Land Committee and the chief of the district hukumat (or the deputy chief responsible for agriculture) to gather information on the progress of the land reforms at the district level.

District	Population
Bokhtar	184,200
Kabodian	125,300
Kolkhozabad	134,200
Pyanj	84,300
Shaartuz	88,100
5 District Total	616,100

Table 1. Population of Selected Districts as of January 2003.
Source: National Statistics Center of Kurgan-Tepe

In the second phase of the study, the researcher visited each of the 31 jamoats¹ in these 5 districts. Meetings were first held with one of the three ranking officials of the jamoat – the chief, the deputy chief, and the administrator. In total, 14 jamoat chiefs, 13 deputy chiefs, and 4 administrators were interviewed. Each was asked a series of questions about the land in their jamoat, the changes that have occurred in recent years, what the changes have meant for the local population, what problems people are facing, and what could be done differently in the future. Following this meeting, if time permitted, interviews were conducted with the chairmen, accountants, and economists of the jamoat's farms. In total, 22 such interviews were conducted. Questions were asked about the farm's size, management, operations, finances, and current difficulties.

In the third phase of the study, 10 villages were randomly selected in each of the 5 districts. A team of AAH monitors used a household questionnaire to interview 20 households in each village. A copy of the household questionnaire can be found in Appendix 2 of this report. The questionnaire was designed to assess the access to land of households, in addition to their knowledge of the land reforms, the freedom they have in managing their farms, the costs of taxes and documentation, the levels of credit use, etc. In addition, the monitors were given a list of additional questions not to be used for statistical purposes, which they asked a few households in each village in longer interviews.

In total, the household questionnaire was used to interview 1000 households in 50 villages. A more detailed description of the methodology used in selecting villages and households can be found in Appendix 3 of this report. A list of selected villages can be found in Appendix 4.

III. Land Reform on Paper

According to the State Land Committee², there were approximately 850 kolkhozes/sovkhoses in Tajikistan prior to the land reforms. Of these, approximately 500 have been reorganized into dehkan farms so far. 100 additional kolkhozes/sovkhoses are scheduled to be reorganized in 2003, 45 in 2004, and 40 in 2005. Approximately 170 kolkhozes/sovkhoses will not be reorganized because they have been set aside for seed production, livestock breeding, and research.

According to the Khatlon Oblast Land Committee, 185 kolkhozes/sovkhoses had been reorganized into 686 dehkan farms in Khatlon by January 2003. In addition, there were 4,171 small dehkan farms that had been formed by individual application to the hukumat, for a total of 4,857 dehkan farms in the oblast. Figure 2 shows the rapid expansion of the number of dehkan farms in Khatlon since 1996. A comparable expansion has occurred in other regions of the country.

In the five selected districts, the conversion of kolkhozes/sovkhoses into dehkan farms is almost complete. In Kolkhozabad, Pyanj, and Shaartuz, all eligible kolkhozes/sovkhoses have already been reorganized, leaving 1-4 in each district that are set aside for seed production, livestock breeding, and research. In Kabodian, four kolkhozes/sovkhoses remain to be reorganized, while in Bokhtar there is only one. Table 2 shows the number of dehkan farms in these districts as of January 2003.

¹ The jamoat is the smallest administrative unit of the post-Soviet system. Each district had five to seven jamoats. The 31 jamoats ranged in size from 6,940 people in 3 villages (Obshoron jamoat, Shaartuz district) to 42,000 people in 27 villages (Zargar jamoat, Bokhtar district).

² The State Land Committee is the principal government agency responsible for the implementation of the land reform. It has offices in Dushanbe, Kurgan-Teppe, and each district.

On paper, then, the land reforms appear to be proceeding smoothly and successfully. These statistics are regularly presented to the central government and international donors as evidence of the continuing progress being made in land privatization.

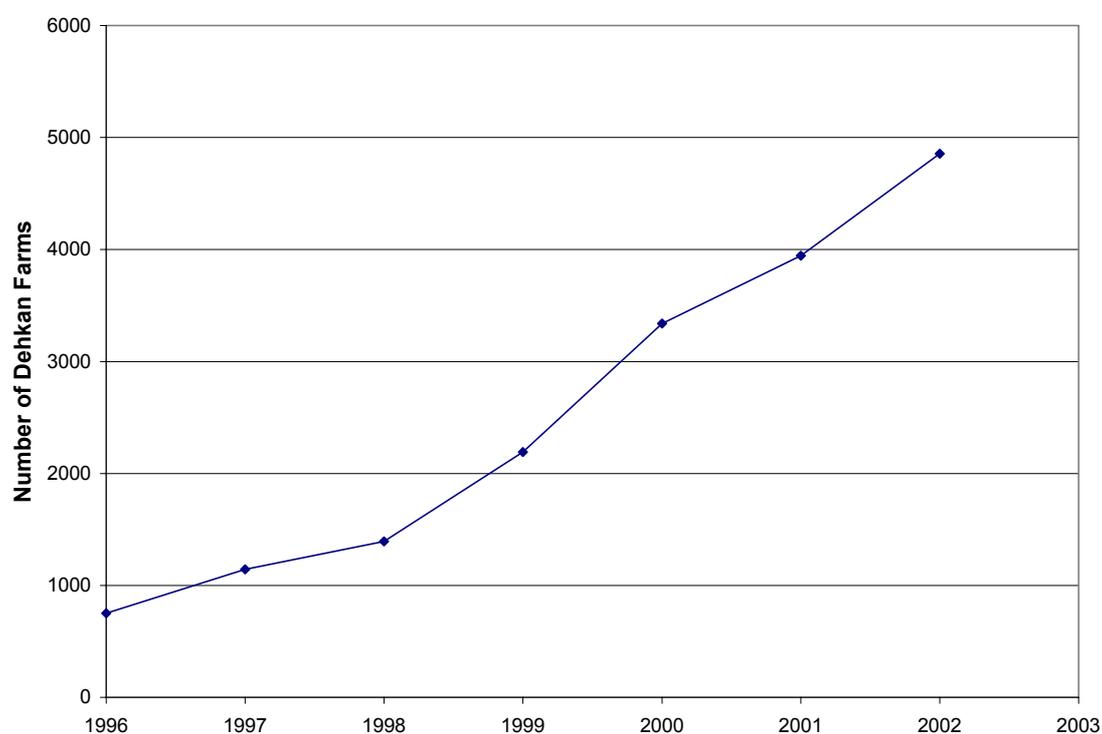


Figure 2. Dehkan Farms in Khatlon Oblast (1996-2002).

Source: Ministry of Agriculture and Khatlon Oblast Land Committee

District	Dehkan Farms (By Reorganization)	Dehkan Farms (By Application)	Total Dehkan Farms
Bokhtar	17	46	63
Kabodian	42	133	175
Kolkhozabad	21	602	623
Pyanj	289	142	431
Shaartuz	12	89	101
5 District Total	381	1012	1393

Table 2. Dehkan Farms in Selected Districts as of January 2003.

Source: Khatlon Oblast Land Committee

IV. Access to Land

How well do these statistics reflect the actual situation in Khatlon? To find out, we interviewed 200 households in each district and asked them questions about their access to land. We encountered five principal types of land:

→ Household Plots

99.3% of interviewed households had household plots. The average size of the household plot was 14.6 sots (0.146 Ha). This land is part of the family compound and is used to grow food for household consumption, including wheat, corn, potatoes, and various fruits and vegetables.

→ *Presidential Land*

70.0% of interviewed households had presidential land. The average size of the presidential land was 11.5 sots (0.115 Ha). This land was allocated by presidential decrees in 1995 and 1997 in an effort to improve the food security situation of the population. Presidential land was intended to supplement the household plot as a source of food for household consumption. Because the land was taken from the unused land of the kolkhoz/sovkhoz, it is usually some distance from the household. Wheat is the most common crop grown on presidential land.

→ *Rented Land*

6.8% of interviewed households had rented land. The average size of the rented land was 1.31 Ha, and it ranged in size from 0.1 to 5 Ha. This land is rented from a large farm, either a kolkhoz/sovkhoz or a dehkan farm. In some cases, rented land is taken from the farm's excess land, and the tenant can decide how to use it. For example, in Khodoiqulov jamoat of Kabodian district, several households grow vegetables on their rented land and pay rent for the land in cash. In other cases, large farms use a rental system to further their own strategic production. For example, in Bustonqala jamoat of Bokhtar district, some households have been given 0.50 Ha of rented land but are required to use the land to produce a certain amount of cotton and tomatoes for the large farm. They pay rent for the land in kind with the cotton and tomatoes. Faizali Saidov sovkhoz in Bokhtariyon jamoat of Bokhtar district has used this type of arrangement to become one of the most successful farms in Khatlon. A copy of the agreement it signs with its tenants can be found in Appendix 5.

→ *Dehkan Farms*

Only 3.5% of interviewed households had their own dehkan farm. The average size of these dehkan farms was 17.2 Ha, and they ranged in size from 1.48 to 124 Ha. More will be said about dehkan farms in subsequent sections.

→ *Kolkhoz/Sovkhoz*

Some state and collective farms are still operating as such in these districts. These farms remain under the management of the state.

Table 3 contains a district-level summary of the access that the 1,000 interviewed households have to the different types of land.

District	Households	Household Plots	Presidential Land	Rented Land	Dehkan Farms
Bokhtar	200	199 (99.5%)	155 (77.5%)	45 (22.5%)	0 (0.0%)
Kabodian	200	199 (99.5%)	144 (72.0%)	13 (6.5%)	5 (2.5%)
Kolkhozabad	200	198 (99.0%)	130 (65.0%)	3 (1.5%)	12 (6.0%)
Pyanj	200	198 (99.0%)	159 (79.5%)	1 (0.5%)	18 (9.0%)
Shaartuz	200	199 (99.5%)	112 (56.0%)	6 (3.0%)	0 (0.0%)
Total	1000	993 (99.3%)	700 (70.0%)	68 (6.8%)	35 (3.5%)

Table 3. Access to Land in Selected Districts.

AAH Tajikistan 10/2003

From these statistics it is apparent that despite the fact that almost all of the kolkhozes/sovkhozes in these districts have been reorganized into dehkan farms, very few households have actually received land as a result of the land reforms. Aside from the small household plots and presidential land (which together average 0.225 Ha per household), 89.7% of interviewed households do not have access to land. Of those who do, two-thirds are tenants on large farms.

V. Dehkan Farms in Practice

Although all dehkan farms fall under a single legal category of land tenure, AAH encountered several distinct types of dehkan farm during the fieldwork for this study. These types can be distinguished by differences in size, origin, and management structure.

Most of the land in Khatlon is now contained in *collective dehkan farms*. In order to meet its privatization targets, the government has often converted kolkhozes/sovkhozes into large, collective dehkan farms. Sometimes, several collective dehkan farms have been formed from the land of a single kolkhoz/sovkhoz. For example, in Kholmatov jamoat in Shaartuz district, the 3,000 hectares of Lenin kolkhoz was split into seven dehkan farms, each of which has several hundred hectares. In many cases, though, the kolkhoz/sovkhoz has been converted directly into a single, large collective dehkan farm. Many collective dehkan farms have over 1,000 hectares of land and several thousand members. Some examples of collective dehkan farms are given in Table 4.

Dehkan Farm	District	Jamoat	Cultivated Land	Total Members
Chorboh	Kabodian	Niyozov	900 Ha	1650
Ismoili Somoni	Shaartuz	Kholmatov	367 Ha	600
Muriddin Safarov	Bokhtar	Sarvati Istiqlol	2035 Ha	4000
Turdimurodov	Kabodian	Nazarov	507 Ha	1770

Table 4. Examples of Collective Dehkan Farms.

AAH Tajikistan 10/2003

What happens when a kolkhoz/sovkhoz is converted into a collective dehkan farm? Typically, the chief of the kolkhoz/sovkhoz is “elected” as the chief of the new dehkan farm, and the administration remains the same. A land certificate is issued in the chief’s name with a map of the farm and a list of all of the members who work on the farm. The members are allocated shares of the farm on paper and are supposed to be given membership certificates. Of the dehkan farm workers that AAH interviewed, only 5.6% had received these certificates, and most of the farms said that they were still being prepared. Finally, an official seal and stamp are given to the farm, the name is officially changed to *khojagi dehkoni*, and the sign at the entrance to the farm is repainted. However, aside from these cosmetic changes, business continues as usual.

Most of the workers on the farm remain unaware of the changes. Indeed, despite the fact that almost all kolkhozes/sovkhozes in the selected districts have been converted into dehkan farms, 64.3% of interviewed households think that they are still working for a kolkhoz/sovkhoz.

More changes have occurred for *independent dehkan farms*. These farms are typically small (less than 50 hectares) and are run by an individual, a family, or a group of families. The main thing that distinguishes independent dehkan farms from collective dehkan farms is that they were formed from below by the initiative of individual farmers rather than from above by the reorganization plan of the state. According to Article 11 of the law “On Dehkan Farms,” independent dehkan farms can be created in one of two ways. First, a shareholder or group of shareholders of a large farm can apply to the farm management and district hukumat to withdraw their shares and use them to start their own farm. Second, anyone can apply directly for land from the special fund, which consists of the excess and unused land of the district. These lands are typically of low quality and may be rain-fed instead of irrigated.

Because they are smaller and formed by personal initiative, independent dehkan farms tend to be more successful as their members feel like they have a stake in the farm’s success.

However, this method of “privatization by application” has its drawbacks. Those who know about the land laws, have personal connections with the local authorities, and can afford the official (and unofficial) costs of the application process are far more likely to have independent dehkan farms. For example, several of the interviewed jamoat chiefs had their own dehkan farms, and in the district offices of the State Land Committee the researcher frequently met well-to-do individuals who had several dehkan farms each, registered under the names of different members of their family.

Independent dehkan farms are now increasingly being supplanted by a third form – the *association of dehkan farms*. An association consists of a group of small dehkan farms under a single association management. The association management typically provides its farms with seeds, fertilizer, fuel, and machinery. At the end of the year, it is responsible for selling the harvest and takes a certain percentage (2-10%) of the profits. Some examples of associations of dehkan farms are given in table 5.

Association	District	Dehkan Farms	Cultivated Land	Total Members
Dzerzhensky	Pyanj	36	1600 Ha	3000
Payvan	Kolkhozabad	243	1041 Ha	1648

Table 5. Examples of Associations of Dehkan Farms.
AAH Tajikistan 10/2003

Associations of dehkan farms vary in the autonomy that they allow their member farms. In some cases, groups of independent dehkan farms have realized their common interests and voluntarily decided to set up an association. The Zarkamar association in Kabodian district, for example, was founded earlier this year by twenty dehkan farms in two jamoats who decided that it would be easier to have a single agent responsible for negotiating their credit arrangements, purchasing their inputs, and selling their production. In this arrangement, the association management takes on the role of a financial middle-man. In Shaartuz, for instance, there are four such associations, and each independent dehkan farm in the district chooses which one to join.

Elsewhere, some kolkhozes/sovkhozes have been reorganized directly into associations of dehkan farms. This arrangement is most common in Pyanj district and in parts of Kolkhozabad district. Here, the association is much stronger and is more like a farm manager than a financial agent. Usually, the member farms work independently of each other, but in some extreme cases, the “association” exists only on paper. For example, the 600 hectares of Ittifok kolkhoz in Frunze jamoat in Kolkhozabad district has been formally turned into an association of 142 independent dehkan farms. Despite the fact that each dehkan farm has its own land certificate with a map of its land, the association still operates like a kolkhoz. The workers are organized in brigades, cultivate the land collectively, and are directed by the former kolkhoz management, which is now the association management.

Nearly all of the independent dehkan farms of Khatlon are now part of an association of dehkan farms. Of the 35 interviewed households who had dehkan farms, 34 of them said that they were part of an association. The one who did not was the chief of a collective dehkan farm of 115 hectares.

VI. The Current Situation in the Districts

The five selected districts have implemented the land reforms in different ways. They vary significantly in both the progress they have made in reorganizing their kolkhozes/sovkhozes and the relative prevalence of the different kinds of dehkan farms in the areas where restructuring has already taken place.

In *Bokhtar* district, the land reforms have had the least effect on the situation of the population. The five kolkhozes/sovkhozes in Mehnatobod, Navbahor, Oriyon, Sarvati Istiqlol, and Zargar jamoats have been reorganized into twelve large collective dehkan farms. 80.0% of the households interviewed in these five jamoats still think that they are working for a kolkhoz/sovkhoz, and very few even know what a dehkan farm is.

Rented land is more common in Bokhtar than in other districts. 22.5% of households interviewed had rented land. Most rented land was distributed according to a production agreement like that in Appendix 5 and is managed closely by the large farm.

None of the 200 interviewed households in Bokhtar district had a dehkan farm, but there are 40-50 small, independent dehkan farms in the district, most of which applied for land from the special fund. All of them belong to a single association of dehkan farms. The offices of this association are located in the district hukumat building.

In *Kolkhozabad* district, the jamoats vary greatly in their situation. Uzun and Navobod jamoats each have one large sovkhoz for seed production. No shares can be withdrawn from these sovkhozes to create independent dehkan farms. In contrast, Guliston jamoat has been the site of extensive privatization support projects by international organizations. It now has hundreds of independent dehkan farms, each of which belongs to one of three associations. The associations take 2% of the profits of their member farms. Each of the other jamoats in the district has 1-3 collective dehkan farms and a number of small dehkan farms, which are parts of several large, district-wide associations, including Payvan association, Ozodi association, and Kolkhozabad association.

In *Pyanj* district, the land reforms have in many ways penetrated the deepest. In 1999, all eligible kolkhozes/sovkhozes were converted directly into associations of dehkan farms. Today, there are two kolkhozes/sovkhozes for livestock breeding and seed production and ten associations of dehkan farms in the district. Although the associations have the same land as the former kolkhozes/sovkhozes, distinct member farms have been organized within them. More effort has clearly been made to educate farmers about the land reforms, because the level of knowledge is much higher than in other districts. Most workers (75.0%) know that they are working for a dehkan farm instead of a kolkhoz/sovkhoz.

Once the member farms in Pyanj district are financially viable, they can separate from the association, and several have already done so. This is in interesting contrast to other districts, where the trend is the reverse and independent farms are joining associations. The main difference is that the member farms that were organized in Pyanj are larger in size and hence more capable of managing themselves independently.

In *Kabodian* district, the land reforms are still a work in progress, as four kolkhozes/sovkhozes remain to be reorganized. Most jamoats have a wide variety of land tenure types, including kolkhozes/sovkhozes, large collective dehkan farms where the kolkhoz/sovkhoz land was not divided, smaller collective dehkan farms where the kolkhoz/sovkhoz land was split into several pieces, and local associations of independent dehkan farms.

In *Shaartuz* district, of the six former kolkhozes/sovkhozes, five have been reorganized into twelve large, collective dehkan farms. There are also a number of independent dehkan farms, which all belong to one of the four associations in the district. There are fewer dehkan farms than in Kolkhozabad, Pyanj, and Kabodian, and none of the 200 interviewed households had a dehkan farm.

The ultimate effect of the land reforms in these districts has been to rearrange a group of large agricultural enterprises (kolkhozes and sovkhozes) into another group of large agricultural enterprises (collective dehkan farms and associations of dehkan farms). The new forms are

slightly smaller and have more documentation, but has much else changed? In the next two sections, this question will be addressed through an analysis of the freedoms and finances of these new types of farm.

VII. Freedom of Choice

Under the kolkhoz/sovkhos system, the government gave the farms an annual production plan, which specified how many hectares should be grown in each crop and set a target for how much should be produced by the end of the year. One of the main goals of the privatization process has been to give farmers more choice in deciding what to grow. Article 5 of the law “On Dehkan Farms” states, “Interference in the management of the activity of the dehkan farm from the side of state agencies and officials is not permitted...”

As part of its efforts to determine the impact of the land reforms and how well the new laws have been implemented at the local level, AAH sought to assess how much freedom farmers have actually been given to manage their farms independently. For each type of land, interviewed households were asked, “Can your household decide which crops to grow on this land?” The results are summarized in Table 6.

Land Type	Freedom of Choice
Household Plots	989/993 (99.6%)
Presidential Land	635/700 (90.7%)
Rented Land	34/68 (50.0%)
Dehkan Farms	0/35 (0.0%)

Table 6. Freedom of Choice by Land Type.

AAH Tajikistan 10/2003

For household plots and presidential land, over 90% of interviewed households are free to choose what crops to grow. Those who said they are not free are only restricted by public health measures that prohibit the cultivation of rice in malaria-prone areas because rice fields are important breeding grounds for mosquitoes.

For rented land, 50.0% of households are free to choose what crops to grow. This result was expected based on the wide variety of rental arrangements, which have been described in previous sections.

For dehkan farms, the results are quite striking: of the 35 households with dehkan farms, none (0.0%) said that they were free to choose what crops to grow.

In order to explain this surprising finding, the answers of households to the rest of the questionnaire were analyzed and compared. AAH found that freedom of choice was inversely proportional to cotton production. As shown in Figure 3, on those types of land where cotton is not grown (household plots, presidential land, and about half of rented land), farmers are free to choose what crops to grow. In contrast, on those types of land where cotton is grown (dehkan farms and about half of rented land), farmers are not free to choose what crops to grow.

Interviews with local officials clarified the reason for this relationship. For cotton, a government production plan is still in place throughout Khatlon. At the beginning of the year, each district hukumat is given a cotton production target (in tons) from the oblast hukumat. It then distributes this plan among its dehkan farms and kolkhozes/sovkhos according to a district-wide rate. In Kolkhozabad district, for instance, the district hukumat, jamoats, and farm managers all reported that dehkan farms were required to grow 73% of their land in

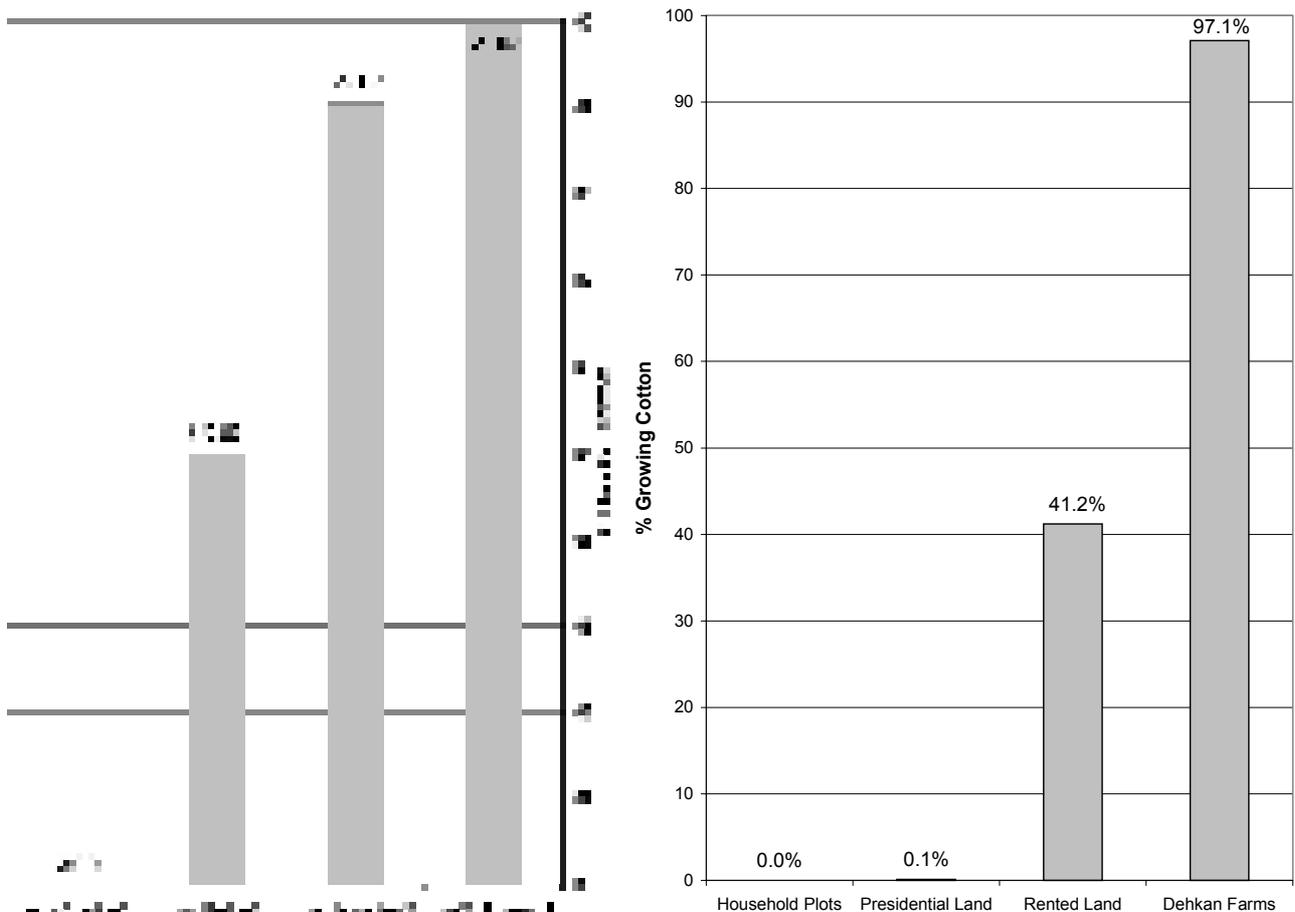


Figure 3. Freedom of Choice and Cotton Cultivation by Land Type.
AAH Tajikistan 10/2003

cotton in 2003. In several other districts, this rate increased from 70 to 80 per cent this year and is scheduled to increase even more in future years. According to the district hukumat and land committee in Pyanj district, only 4-5,000 Ha of the 13,234 Ha of cultivated land in the district was being grown in cotton ten years ago. This year, 9,631 hectares (72.7%) was grown in cotton. In future, they are planning to increase the district rate to 90%.

The results of the household interviews conducted by AAH reflect this reality. Households with dehkan farms were asked to identify who decides what crops are grown on their land. As shown in Figure 4, the answers included the government (54.8%), the association management (25.8%), or both (19.4%). The households who only cited the association management were all in Pyanj district, where the government gives its cotton production plan to the association management rather than to each of the association's member farms.

According to the Khatlon agricultural department, the oblast planted 172,000 Ha in cotton last year and took a harvest of 365,000 tons of raw cotton, which is approximately two-thirds of the total cotton production of the country. During the fieldwork for this study, the researcher constantly asked local officials why the cotton production plan was still in place. The most common answers were variants on the theory of comparative advantage. Most local officials have been told that cotton production is the national strategy of the country. Some said that the government realized in 1997 that one kilogram of cotton could buy ten kilograms of wheat, so it decided that the farms should focus on cotton production. Others said that

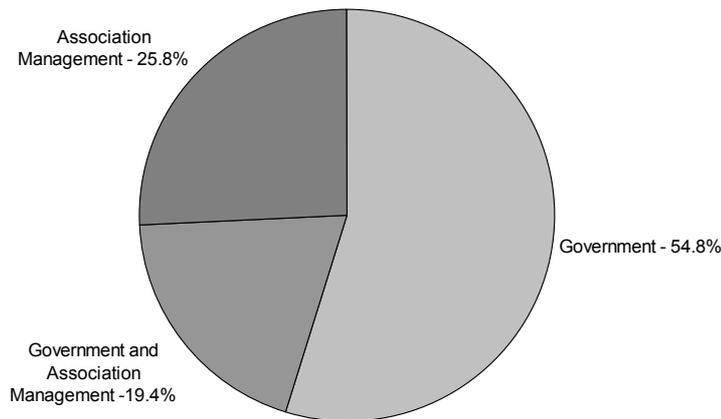


Figure 4. Who decides what crops to grow on your dehkan farm?
AAH Tajikistan 10/2003

because Tajikistan is far from international markets and lacks adequate food processing and storage facilities, it needs to focus on a crop like cotton that does not spoil or decay. On a national level, cotton is one of Tajikistan’s principal sources of foreign currency.

Officials were less clear on why a government production plan is needed if cotton is indeed such a profitable crop. If farmers are allowed to choose what to grow and if cotton is truly in *their* comparative advantage, they will decide to continue to grow cotton. In fact, 63.5% of interviewed households who grow cotton said that they would still grow cotton on part of their land in the absence of a government production plan.

For some farms, cotton is not the most profitable crop and they want to grow more wheat, corn, and other food crops. For others, cotton is profitable and they want to be able to grow more of their land in cotton than what is stipulated by the government plan. The experience of one dehkan farmer in Kolkhozabad summed the situation up quite nicely: “If I can take the profit from the cotton,” he said, “I will grow it on all of my dehkan farm, all of my household plot, and all of my presidential land. But right now, I am not taking much profit, so I want to be free to grow my land in wheat and vegetables instead.”

The government production plan forces farmers to grow the crops that it thinks are in the comparative advantage of the country as a whole. By doing so, it is actually interfering with the ability of farmers to decide for themselves what is in their own comparative advantage. Such market interference ultimately harms Tajikistan’s overall agricultural productivity. Most oblast and district level officials cling tightly to the legacy of centralized control of the agricultural sector and have not yet recognized that free, successful private farms will generate more than enough tax revenue to fund all of their policies and programs.

As things are now, in spite of the freedoms given to dehkan farms in the land reform laws, most local officials think of them as the successors of kolkhozes/sovkhazes – large farms intended for strategic production that should be under their command and control. Indeed, as long as the government production plan continues to exist, calling dehkan farms ‘private’ may be a bit of a misnomer.

VIII. The Financial Sector

The financial autonomy of new dehkan farms is seriously constrained as well – not by the government, but by the large debts that they have inherited from the former kolkhozes/sovkhozes. Under the Soviet system, farms might owe debts to the government if they were unable to cover the costs of their water, electricity, etc. Starting in the mid-1990's, however, a new form of debt emerged as both kolkhozes/sovkhozes and dehkan farms began working with private investors known as futures companies, who offered to prefinance cotton production. A farm would take a certain amount of seeds, fertilizer, fuel, and other inputs on credit from these companies at the beginning of the year on the understanding that it would pay back the credit with its cotton harvest at the end of the year.

If the value of the cotton harvest exceeded the value of the inputs taken on credit, the farms would make some profit. Likewise, if the value of the cotton harvest fell short of the value of the inputs taken on credit, the farm would have a debt to the investors that would roll over to the following year. For most of the farms in Khatlon, this latter situation prevailed, and the debts accumulated quickly. Most local officials and farm managers attribute the growth of the debts to the political instability of the civil war period, when the cotton harvest was low because workers fled, machinery was stolen, and crops were destroyed. Another contributing factor was the low price of cotton on the international market during these years.

As kolkhozes/sovkhozes have been restructured into dehkan farms, the government has been faced with a difficult choice – what to do with the debts? According to estimates of the International Monetary Fund, the debts in the agricultural sector total \$125 million dollars for the country as a whole. The government does not have the means to pay off these debts – this sum is approximately half of its entire annual budget. Instead, it has decided to distribute the debts to the new dehkan farms based on their size in hectares. The State Land Committee is now responsible for dividing up the debts of kolkhozes/sovkhozes when they are reorganized into dehkan farms. In many cases, these debts exceed \$1,000 dollars per hectare.

Khatlon is the region most affected by this debt crisis. In Pyanj district, farms owe \$4 million dollars in debt; in Kabodian, the total debt is \$10 million dollars. Individual farms vary greatly in the amount of debt they owe, depending on how heavily they were affected by the war and how well they have been managed in recent years. In general, though, the vast majority of kolkhozes/sovkhozes and dehkan farms in the selected districts are deeply in debt. Some examples of the debts of dehkan farms can be found in Table 7.

Farm Name	Dehkan Farm Type	District	Cultivated Land	Debt
Boboghulov	Collective	Kabodian	965 Ha	\$200,000
Bobojon Ghafurov	Collective	Shaartuz	320 Ha	\$92,000
Dah Solagi	Collective	Kolkhozabad	1754 Ha	\$1,375,855
Davron Nuriddinov	Collective	Bokhtar	4700 Ha	\$2,000,000
Lomonosov	Collective	Shaartuz	1097 Ha	\$356,000
Sumad Jumaev	Collective	Shaartuz	326 Ha	\$500,000
Uza Allamurodov	Association	Pyanj	1058 Ha	\$672,000

Table 7. Examples of the Debts of Dehkan Farms.

AAH Tajikistan 10/2003

Dehkan farms are finding it difficult to pay off these debts not only because of their large size, but also because of the nature of the credit agreements. As shown in Figure 5, the debts are not owed to a single investor, but rather to a chain of financial intermediaries that connect the districts of Khatlon to the international cotton market. At the top of the chain is the foreign investor Paul Reinhart, which buys Tajik cotton and sells it abroad. Paul Reinhart does not deal directly with farms, but rather works with local investors (cotton exporters) on a

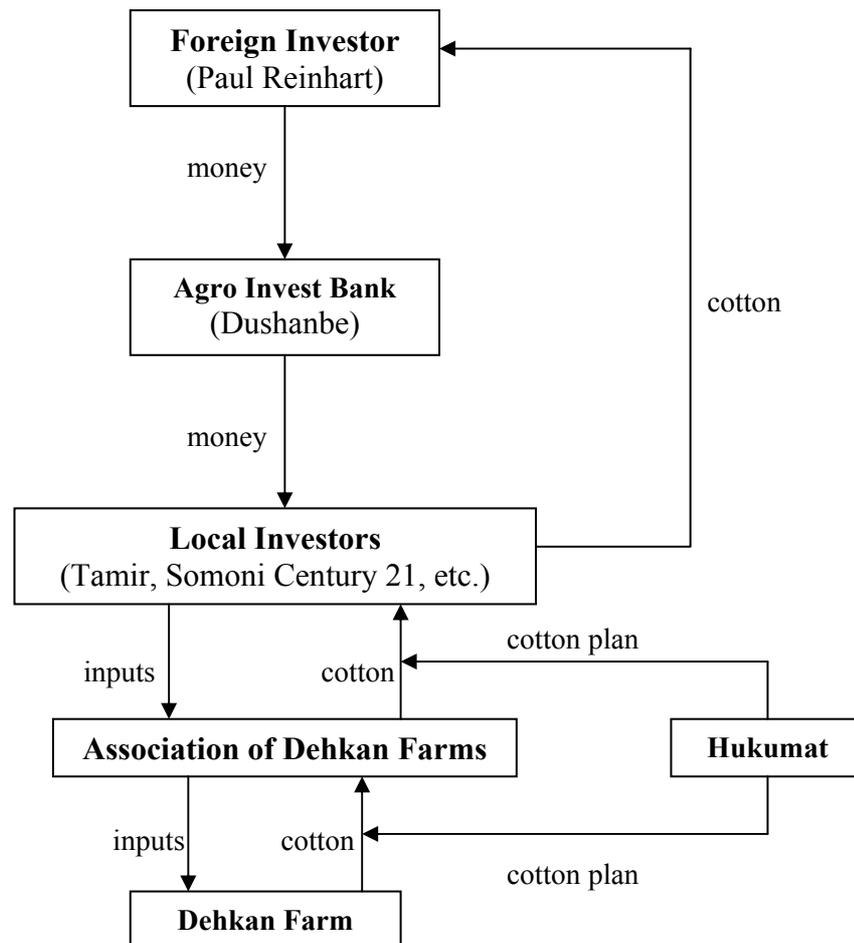


Figure 5. Structure of Annual Cotton Investments in Khatlon.
AAH Tajikistan 10/2003

prefinancing basis. At the beginning of the year, it loans money to the local investors to fund the cultivation of cotton. This loan is provided through the Agro Invest Bank, which guarantees its repayment and in return takes its own percentage of interest. The local investors use the money from Paul Reinhart to buy inputs from local factories or from abroad. They then make their own prefinancing arrangements with the management of each collective dehkan farm or association of dehkan farms. The farm management tells the local investors how much cotton they are supposed to grow according to the government plan. Based on this production target, the local investors agree to provide each hectare of the farm with a certain amount of seeds, fertilizer, fuel, machinery, spare parts, money for taxes and salaries, bricks, cement, etc. If the farm is an association, the association management then makes a similar agreement with each of its member farms.

At the end of the year, dehkan farms harvest their cotton, which they give in unprocessed form to the association management, which in turn gives it to the local investors. The local investors usually also own the local cotton mill, where they process the cotton. The processed cotton is then given to Paul Reinhart for export. At each step of the chain, the amount of cotton is measured against the amount of prefinancing given for that year. If the value of the cotton exceeds the amount of prefinancing, the profit is used to pay off some of the debts from past years. If the value of the cotton falls short of the amount of prefinancing, the debts increase.

There are two principal problems that this investment structure causes for new dehkan farms that are trying to pay off their inherited debts and establish financial independence. First, each link in the chain has its own interest rate, so the debt servicing payments are quite high. The total annual interest that farms end up paying on their past debts is typically between 32 and 35 per cent. Second, each link in the chain has an effective monopoly on prefinancing. Farms that are free from debt and can finance their own production can buy their inputs from the market and sell their cotton to other companies. But as long as a farm remains in debt, it has to keep working with these investors.

The problems caused by this monopoly are most acute at the level of the local investors. Although there are several local investors in Khatlon, each of them has been “assigned” to certain districts. For example, Tamir, which is based in Kurgan-Teppe, is responsible for working with farms in Bokhtar, Kolkhozabad, Jilikul, Vakhsh, and Sarband districts. The farms in these five districts owe Tamir a total of \$23 million dollars in past debts. Meanwhile, Somoni Century 21, which is based in Kaleninobod, is responsible for working with farms in five other districts – Pyanj, Shaartuz, Kabodian, Beshkent, and Muskovsky. It is unclear exactly who decides which local investor works in which districts, but it is clear that someone does – each company has a clearly-defined territory, and all of the farms in that territory repay their debts to them.

Because of their monopoly on credit, the local investors are able to engage in a number of shady practices to maximize their profits. The biggest complaint of farms is that the local investors usually charge double or triple the market price for inputs. For example, a liter of fuel that costs 50-65 dirham in the local market will be provided to the farms by the investors at a rate of 1.1 somoni. Moreover, because the farms have to accept whatever inputs the investors give them, they are unable to pick out the best quality seeds or best quality fertilizer as they normally would in the market.

Another frequent complaint of farms is that salary money is rarely paid on time and is sometimes not paid at all. From the investors’ perspective, seeds and fertilizer are things that they absolutely have to provide to farms in order to get their cotton at the end of the year, but salary is a less strict requirement. Investors have found that they can get away with making promises of future salary payment and providing certain fringe benefits (like uniforms for cotton picking in Niyozov jamoat of Kabodian district) to keep the workers interested.

Because many farm managers reported that they have not been taking any profit from their cotton and that their workers are not receiving any salaries, AAH attempted to trace the money that is being made from the cotton to see where it ends up. According to Paul Reinhart, it purchases cotton from the local investors at the international market price, which is currently \$1313 dollars for one ton of second grade cotton³. From this price, it deducts a transport fee, so the actual price it pays is approximately \$1200 dollars. Because it takes three tons of raw cotton to make one ton of processed cotton, Paul Reinhart’s price per ton of raw cotton works out to approximately \$400 dollars.

In interviews with local investors and farmers, the researcher asked about the terms of the agreement that they sign at the beginning of each year. For each hectare, the local investors provide between \$250 and \$350 dollars worth of inputs, money for salary and taxes, etc. In return, they typically take two tons of raw cotton at the end of the year, meaning that their price per ton of raw cotton is approximately \$150 dollars. Subtracting from this price the money that they make from doubling the price of inputs and delaying salary payment, AAH

³ Cotton is given a grade from one to five based on its quality. The basic grade is second grade, and most of Tajikistan’s cotton is second grade cotton. The market price varies slightly for the different grades.

estimates that the actual price being paid by the local investors per ton of raw cotton works out to less than \$100 dollars.

Clearly, much of the profit from the cotton of the dehkan farms is going to these local investors. In many ways, the local investors have taken on the role that the government played under the kolkhoz/sovkhos system. In Shaartuz district, while the government struggles to find funds for public works projects, Somoni Century 21 is providing schools with computers, rehabilitating irrigation networks, building public monuments, and funding hospitals and orphanages.

What freedoms have resulted from the land reform process have benefited these local investors, fostering both their growth and their profitability and enabling them to become the de facto directors of Khatlon's farms. The farms are now little more than employees of these investors, hired to use the investors' seeds, fertilizer, and machinery to grow cotton on their land.

Based on the findings discussed in the last two sections, AAH has compiled a chart to reflect the current reality of dehkan farms in Khatlon (Table 8). The chart compares the Soviet system of publicly owned and managed farms, a fully privatized system, and the current system in Tajikistan. While the government has kept ownership of the land and maintained its cotton production plan, it has ceased its supervision of the farms' operations. This role has been assumed by the investors, who use their power over the farms as creditors to control all of their financial activities.

Land Tenure System	Who owns the land?	Who decides what to grow?	Who purchases the inputs?	Who sells the production?
<i>Soviet</i>	Government	Government	Government	Government
<i>Private</i>	Farmer	Farmer	Farmer	Farmer
<i>Tajik</i>	Government	Government	Investor	Investor

Table 8. Comparison of Three Systems of Land Tenure.
AAH Tajikistan 10/2003

IX. Workers

From data presented in previous sections, it is clear that few farmers have received land as a result of the land reforms and that those who have operate under a system that places considerable limits on their freedoms. What, then, has been the ultimate impact of the land reforms on the lives of ordinary Tajiks? The economic situation of the 1000 households interviewed by AAH is presented in Figure 6.

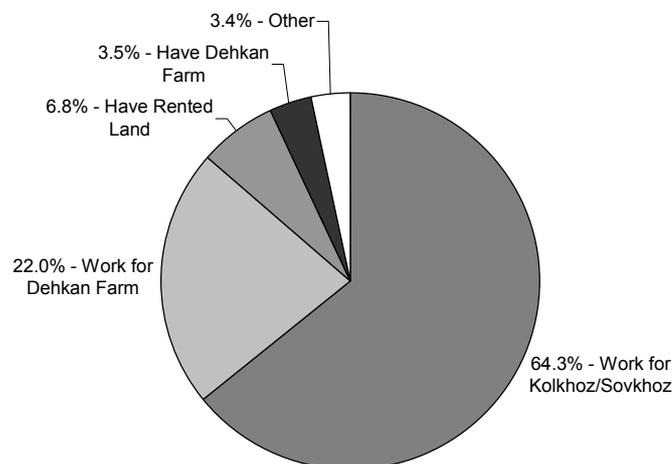


Figure 6. Economic Situation of 1000 Interviewed Households.
AAH Tajikistan 10/2003

From Figure 6, it is clear that the vast majority of households can be classified as workers. It is important to recognize that although many interviewed households reported that they were working for a kolkhoz/sovkhov, most are actually working for dehkan farms and are simply unaware that the name has changed. Nevertheless, the fact remains that 86.3% of households are workers on large farms.

Of these workers, 26.3% said that they receive no salary for their work on the farm. When workers do receive salaries, they are usually paid two or three times during the first eight months of the year and then every ten days during the cotton picking season based on how much cotton they have picked⁴. In total, the average reported salary for working on a large farm was 29.7 somoni/year (less than \$10 dollars/year).

Why do people continue to work for such low salaries? Under the Soviet system, each family was given a house and household plot in the area on the understanding that at least one family member would work for the kolkhoz/sovkhov in return. Since independence, this expectation has continued even as salaries have dwindled to almost nothing.

In most cases, the large farm also provides just enough additional benefits to keep the workers interested. In particular, as shown in Figure 7, 94.7% of workers said that they are given the dried cotton sticks after the harvest, which most rural households depend on for fuel for

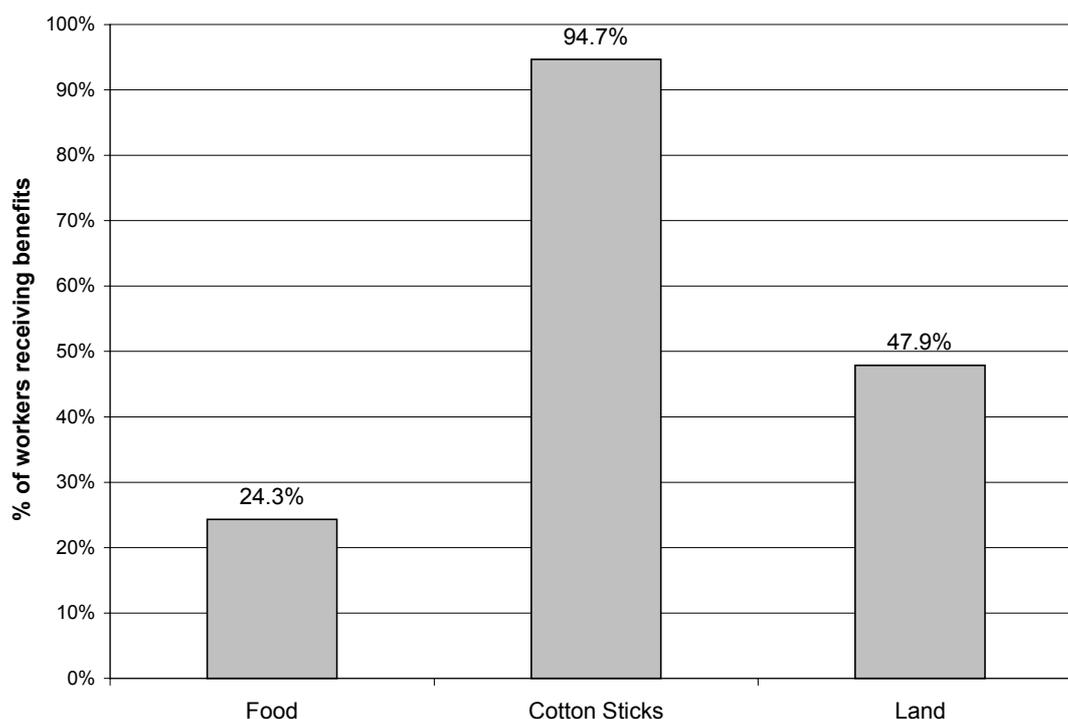


Figure 7. Benefits Received by Workers on Large Farms.
AAH Tajikistan 10/2003

cooking and heating their homes in winter. This dependence is by far the most important factor keeping people in the fields. Many households said that they would stop working for the large farm if they had gas or electricity for cooking and heating and did not have to rely on the cotton sticks.

⁴ The cotton picking season typically runs from September to late November or early December. The typical payment for cotton picking is 6-10 dirham per kilogram.

Aside from the cotton sticks, 47.9% of worker households receive a small piece of land from the large farm (usually just 0.02 Ha per worker) to augment their household plots and presidential land. An additional 24.3% receive some food instead of salary. This benefit usually consists of one sack of wheat each year, which is given out in spring, when food stores are smallest.

Labor migration is the most common coping mechanism to compensate for the low or non-existent salaries on the farm. In some villages, the researcher was told that an average of one person from every household had migrated to Russia. Some examples of official jamoat-level labor migration rates are given in Table 9.

Jamoat	District	Population	Emigrants	Migration Rate
Khodoiqulov	Kabodian	31,000	3,500	11.3%
Navobod	Kabodian	8,236	500	7.7%
Saiyod	Shaartuz	13,000	1,000	6.1%

Table 9. Examples of Official Jamoat-Level Labor Migration Rates.
AAH Tajikistan 10/2003

According to a recent report of the International Organization for Migration (IOM), approximately 632,000 Tajik nationals have left the country as labor migrants since the year 2000. 40.8% of these migrants are originally from Khatlon oblast, and the IOM identifies low salaries and difficulties in land access as two of the key push factors driving migrants to look for work abroad.

Migration from Khatlon is typically seasonal, with migrants leaving in the spring, working abroad in the summer, and returning home in the autumn. 84% of Tajik migrants go to Russia, where they typically find work in the construction or agricultural sectors, earning the money they need to support their families back home. The IOM estimates that labor migrants bring \$230 million dollars back into Tajikistan each year through formal and informal channels.

The migrant households interviewed by AAH cited the lack of salaries on the large farms as the most important factor causing people to leave for Russia. One interviewed worker in Kabodian district told the researcher, “I don’t want to go to Russia, but I will have to because I am not receiving any salary from the farm. If the salaries were paid, everyone would stay.”

Elsewhere, the situation is even more dire. In one village in Kolkhozabad district where the farm had paid no salaries in over a year, one worker said, “If the way to Russia closes, we will all die.”

One of the most important impacts that this large-scale migration has had on life in Khatlon is the increasing feminization of the agricultural labor force. Approximately 85% of Tajik labor migrants are men. In a typical family in Khatlon, the man works in town or in Russia to earn money for the household while the woman works on the farm to get the cotton sticks. According to recent studies by UNIFEM⁵, women in Tajikistan are responsible for most of the farming work on all types of land. In some villages, UNIFEM found that women were responsible for up to 80 per cent of the farm work.

Of the 1,000 interviewed households, 118 (11.8%) were female-headed households. In most of these households, the man either died in the civil war or left for Russia and did not come back. Far greater is the number of households where the man works abroad for most of the year. In one village in Madanyat jamoat in Kolkhozabad district, the researcher was told that

⁵ UNIFEM, the United Nations Development Fund for Women, is engaged in an extensive project to improve access to land for rural women in Tajikistan.

only two men were left in the village – all the rest had gone to work in Russia. According to 2000 census figures, the total population of this village is 1,200.

The land reform laws have given every citizen of Tajikistan the legal right to apply for and receive their own independent dehkan farm. Yet despite these provisions, most households in Khatlon have not taken land, continue to work on large farms for little or no salary, and actively pursue income-generating opportunities outside of the agricultural sector (e.g. labor migration) to supplement their income. In order to assess the future prospects for the land reform process, this puzzling situation has to be explained. In the next section, the reasons for why more people have not taken land will be explored in greater detail.

X. Why Have More People Not Taken Land?

Under the current land reform legislation, an individual or group of individuals has to take the initiative if they want to start their own dehkan farm. When a kolkhoz/sovkhov is reorganized, it may be split up into several large dehkan farms, but it is then up to the members of those farms to submit an application to withdraw their shares from the large farm.

Do people want to have their own dehkan farms? AAH asked this question to the 965 households who do not currently have dehkan farms, and 61.3% said yes. Given the fact that most households want to take land, understanding why more have not done so is an important first step towards figuring out how access to land can be improved in the future. As part of its efforts to determine how the land reform process can be enhanced and strengthened, AAH sought to identify the principal factors that are preventing or discouraging more people from starting their own dehkan farms.

As shown in Figure 8, the 965 interviewed households that do not have dehkan farms can each be placed into one of three categories – those who do not know how to apply for a dehkan farm, those who do know how to apply but have not applied, and those who have applied but were refused.

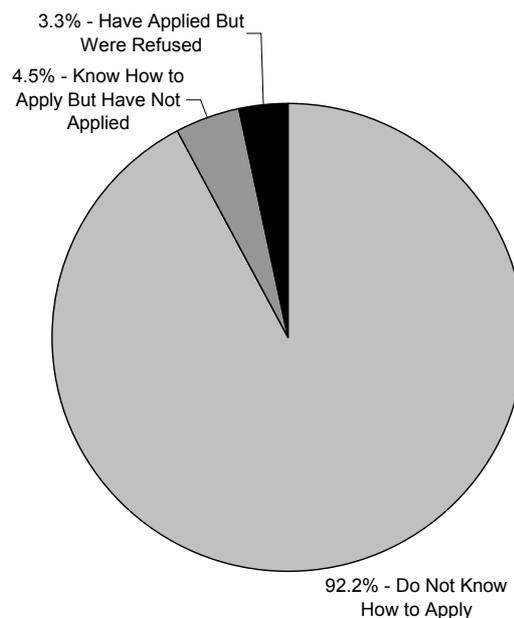


Figure 8. Why Have More People Not Taken Land?
AAH Tajikistan 10/2003

From this data, it is evident that the *primary* factor preventing more people from taking land is a lack of knowledge. Only 7.8% of interviewed households said that they know how to apply for a dehkan farm. In many cases, AAH interviewers had to explain to households what a dehkan farm was in order for them to be able to correctly respond to the questionnaire.

In an attempt to assess more precisely the level of knowledge of the general population, all interviewed households were asked to rate their knowledge of the land laws of Tajikistan on a scale of one to five. The responses to this question are summarized in Figure 9.

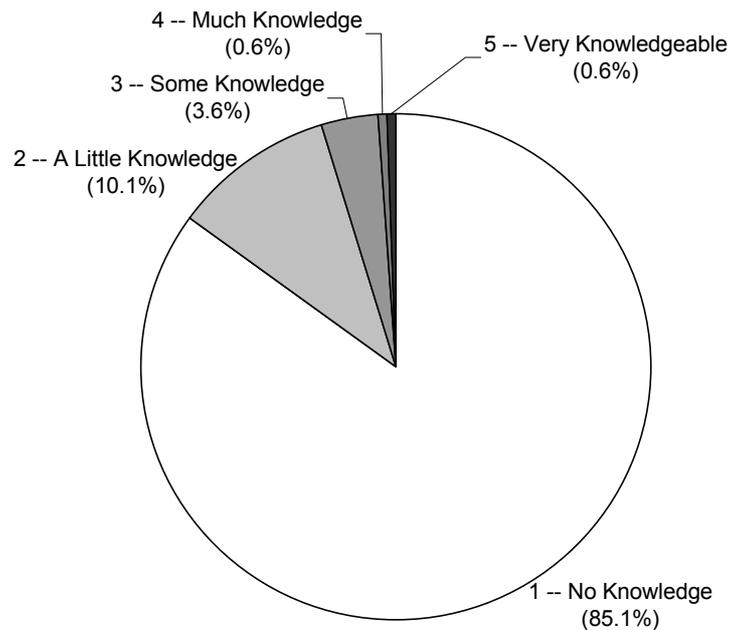


Figure 9. Please rate your knowledge of the land laws of Tajikistan on a scale of one to five.
AAH Tajikistan 10/2003

From these results, it is clear that the news of the land reform laws passed in Dushanbe has for the most part not reached the villages. If people do not know that they have a share in their farm and are entitled to withdraw that share and start their own farm, they will not do so. In Mehnatobod jamoat in Bokhtar district, for example, which is home to 27,700 people, the one kolkhoz was converted into a single, large collective dehkan farm two years ago. The jamoat chief told the researcher that everyone is welcome to apply to withdraw their land shares from the large farm, but so far he has not received any applications.

This lack of knowledge about the land reforms can be overcome through greater efforts to disseminate information about the laws and the process for applying for a dehkan farm. Unfortunately, though, knowledge alone is sometimes not enough. The second group of households identified in Figure 8 do know the laws and their rights but have decided not to apply for land. AAH asked these households to explain the reasons behind this decision. They identified a number of *secondary* factors, which make them think that applying for and managing a dehkan farm would not be in their best interest.

The cost of applying for land is one such secondary factor. Although the government has tried its best to make the cost of the land certificate as inexpensive as possible, a number of unofficial or hidden costs clearly exist. According to the State Land Committee, the official cost to withdraw shares from a large farm and start an independent dehkan farm is \$6 dollars (18 somoni). In contrast, the average cost reported by the 35 interviewed households with dehkan farms was 147.4 somoni, or almost \$50 dollars. Though this amount might not seem

unrealistic, it is more than five times the average annual salary of a farm worker (29.7 somoni/year). Microcredit programs to provide the initial capital needed to apply for land could go a long ways towards facilitating the privatization process.

The perceived financial inviability of dehkan farms is another discouraging factor. Pyanj, the district where households had the most knowledge about the land reforms, was also the district where the smallest percentage of households interviewed (44.0%) wanted to have their own dehkan farms in the future. Farmers in Pyanj know more than their counterparts in other districts about how to apply for a dehkan farm, but they also know more about the situation of new dehkan farms. When asked to explain why they do not want dehkan farms, households in Pyanj said that they do not see much advantage in having a dehkan farm. They know that if they receive a dehkan farm, they will have to pay back the debts on the land and to grow cotton for the government and the local investors.

Farmers also see that small dehkan farms are having difficulties in finding the money to buy machinery and maintain irrigation networks. While the large kolkhozes/sovkhazes were big enough to have their own tractors and other equipment and to clean their own irrigation and drainage channels, small dehkan farms do not have enough resources to handle these tasks independently.

In many cases where land has been successfully distributed, additional measures to adapt to a system of small farms have not been put in place. For example, in Khodoiqulov jamoat in Kabodian district, the one kolkhoz has split into three large, collective dehkan farms and thirty-three small, independent dehkan farms. Because there is no regulation of water use, each dehkan farm tries to take as much water as it can for itself, and there is not enough water left for the others. Each farm now stations workers along the canals to observe water use and make sure that no-one is taking more than their fair share.

In future, increased support of small dehkan farms on the part of the government and international organizations is needed to help them succeed. While land distribution is the first and most important step towards effective land reform, other changes are necessary in order to establish a functioning and prosperous system of private farms. For example, kolkhoz/sovkhaz garages could be converted into local machinery centers where dehkan farmers could rent equipment when they needed it. In the words of one of the district representatives of the State Land Committee, "The new dehkan farms are like babies. They need to be nurtured so that they can grow and thrive in the future."

Taxes are another difficulty that new dehkan farms are struggling with. There are currently seventeen different types of tax that farms must pay, which take a good portion of their income. In Pyanj district, dehkan farmers complained that while the profit from the cotton is going to the association management and local investors, it is the farmers themselves who have to pay the taxes. One farmer said, "I received 20 somoni last year for working on the farm, but the tax-collector came and said that I owed 25 somoni in tax! So I sold the door of my house to pay my taxes. Many people from my village have migrated to Russia. They send money back to us to pay our taxes."

The government has started a pilot program in some districts to try to simplify the taxation system so that farmers only have to pay one kind of tax. This is an important step in the right direction. In future, it should also be recognized that because of the limited freedoms that many farmers have to manage their land, it may be better and more productive to focus taxation regimes higher up in the investment chain (e.g. on cotton exports).

In some extreme cases, dehkan farmers have decided to give their land back to the government because they are not taking any profit from it. For example, the hukumat of Kolkhozabad district reported that thirteen dehkan farms were given back in 2001. AAH

spoke with one farmer in Tugalang jamoat who was trying to give his land back. He said, “I have a dehkan farm of three hectares that is part of an association. The association tells me that I have to grow two hectares in cotton. I am old and my family is not big enough to work on all of this land. If I could just have the one hectare to grow fruit and vegetables, I would be happy. But I cannot manage the whole three hectares, so I want to give my farm back.”

The cost of the land certificate, concerns about debts and cotton requirements, insufficient resources for machinery and irrigation maintenance, and high levels of taxation are all secondary factors that discourage people who already know how to apply for a dehkan farm from doing so. In future, programs and policies geared towards improving the viability and facilitating the activities of small dehkan farms could increase their appeal. If farmers think that they can survive on their own, they will not hesitate to apply for land.

As was shown in Figure 8, even when farmers know how to apply for a dehkan farm and decide that they want to do so, their application may be turned down. Of the 1,000 interviewed households, 35 had dehkan farms but an almost equal number (32) had applied for land and been refused. AAH has identified several *tertiary* factors that prevent farmers who do go through the application process from getting land.

The legal framework of the land reforms is broad, and how well they are implemented often depends on the initiative of local authorities. Some hukumat and jamoat officials have tried their best to make the land reforms succeed and get land into the hands of the people. Others, however, have been less eager to do so. Small, independent dehkan farms are not so easy to control, and many feel like a successful dehkan farm system will gradually erode their power and authority. While few officials explicitly prevent farmers from taking land, few go out of their way to encourage them to apply. Because applications for withdrawing land shares must be approved by the large farm, the local land committee, and the district hukumat, there are many places where they may be blocked.

One of the specific reasons why people are refused land is if they live in an area that belongs to a seed or livestock kolkhoz/sovkhoz. According to Article 12 of the law “On Dehkan Farms,” this land cannot be used to create dehkan farms. Sometimes, this designation was made only recently. For example, Beguv kolkhoz in Navobod jamoat in Kolkhozabad district was set aside for seed production in early 2003. There were already 35 dehkan farms that had separated from the kolkhoz, but no more can do so now that the designation has been changed. Many of the seed and livestock kolkhozes/sovkhozes use only a small portion of their land for seed production and livestock breeding. By designating entire farms as seed and livestock kolkhozes/sovkhozes, the government has caused many legitimate applications for dehkan farms to be refused. In Kabodian jamoat in Kabodian district, where the sovkhoz has recently been designated as a livestock sovkhoz, the jamoat administration is appealing to the national government to have less land set aside for livestock so that more dehkan farms can separate from the sovkhoz in the future. Similar efforts could improve the opportunities to apply for dehkan farms in other jamoats that have seed and livestock kolkhozes/sovkhozes.

The factors identified in this section that are keeping more people from taking land are summarized in Table 10. The primary factor – lack of knowledge – prevents dehkan farms from even being an option open to most of the people of Khatlon. The secondary factors are difficulties faced by new dehkan farms that discourage people who do know about the laws from applying for land. The tertiary factors are reasons why those who do decide to apply may have their applications refused.

The identification of these factors is not intended to be a criticism of current practices. Instead, AAH hopes that the information in this section can be used constructively by the government, donors, and other international organizations who are seeking to develop effective programs and policies to improve access to land in Tajikistan in the future. With

Primary Factors	Secondary Factors	Tertiary Factors
→ Lack of knowledge	→ Cost of land certificate → Debts → Cotton requirement → Difficulties with machinery and irrigation → Taxes	→ Resistance of local authorities. → Seed and livestock designation.

Table 10. Principal Reasons Why More People Have Not Taken Land.
AAH Tajikistan 10/2003

this goal in mind, the next section outlines some of the recommendations that farmers, local officials, and the AAH team came up with during the course of this study.

XI. Program and Policy Recommendations

Tajikistan's land reform process is well underway, but much work remains to be done. After three months of research and countless interviews with households, farm managers, and officials at the jamoat, district, oblast, and national level, AAH has compiled a list of seven principal recommendations for the government, donors, international organizations, and other key players. Action taken on any one of these recommendations is bound to strengthen the land reforms, improve access to land, and expedite the emergence of a prosperous system of independent private farms.

(1) Training for Farmers on the Land Laws and their Rights

The ultimate goal of distributing land to farmers is to empower them. Land reform should ideally be a highly participatory process, with farmers actively engaged from start to finish. The need for participation in Tajikistan's land reform process is particularly great, since most dehkan farms are formed by individual farmers taking the initiative to submit an application for land.

In order for farmers to apply for land, they need to know about the land laws and their rights. The results of this study indicate that there is a profound lack of knowledge of the land reforms – over 85% of interviewed households said that they have no knowledge of the land laws and only 7.8% know how to apply for a dehkan farm.

At the same time, the interest in learning more is great. 86.5% of interviewed households are interested in training on the land laws and their rights. Many said that if they were told how to apply for land they would pass the information on to all of their friends and neighbors.

The State Land Committee, with the support of the European Commission, is in the process of preparing a public awareness campaign to increase the general knowledge of the land reforms. In future, this project and others will hopefully enable many more farmers to apply for and receive their own dehkan farms.

(2) Mechanisms for Legal Redress

Once farmers know the laws, they need to have access to legal services and an effective court system so that they can defend their rights if they are being violated.

Many interviewed households said that when they encountered problems while applying for land or managing their farms, they felt like there was no-one to turn to for help. Legal problems encountered during the course of this study included applications for land being

turned down without valid reason, farmers with land certificates not being allowed to work separately on their land, and local investors violating contractual obligations. While such cases are by no means widespread, they do exist and will become more prevalent if left unpunished.

The accountant of one of the collective dehkan farms told the researcher, “The local investors did not provide us with inputs or salary money on time. I went to them with a copy of the contract and told them that they were breaking it. They replied, ‘What is this? Who are you? Go away!’ Now I do not know what to do.”

Strengthening the court system is not an easy task, but improving farmers’ access to the existing courts can be accomplished more quickly. Legal centers and free consultation services for farmers, funded perhaps by foreign donors, could be an important first step in this direction.

(3) *Reconsideration of the Government Production Plan*

Dehkan farms will not be truly private until they are free to choose what crops to grow on their land. Giving farmers more freedom to pursue their own comparative advantage will ultimately benefit both themselves and the government.

This is not to say that the government should withdraw completely from its involvement in the agricultural sector. Instead, AAH suggests a change of focus. In order to make the most of the new dehkan farm system, the government should try to shift its role from that of a manager to that of a facilitator. New dehkan farms need the government’s support in order to succeed. By offering advice and services to farmers and by providing training and information, the government can enable them to make their own informed decisions about how best to manage their land.

(4) *Assumption of Debts by the Government*

The debts that dehkan farms inherit from the former kolkhozes/sovkhoses are one of the most important factors impeding the progress of the land reforms. The prospect of inherited debts discourages farmers from applying for land, and the influence of the creditors limits the autonomy and profitability of new dehkan farms.

Everyone involved wants these debts to be paid off as quickly as possible. Paul Reinhart, the principal foreign investor, says that it has too much money outstanding in Tajikistan and would prefer to buy the cotton directly instead of having to prefinance it. The local investors say that they want the debts paid off so that they do not have to follow the direction of Paul Reinhart. And the farms, most of all, want the debts paid off so that they can buy cheaper inputs from the market and sell their harvest to the highest bidder.

It is not impossible for farms to pay off these debts; in fact, some farms already have thanks to the rising price of cotton and the good harvests of the last few years. However, high interest rates and unfavorable agreements with local investors mean that it will take a long time for most farms to work their way out of debt.

The government does not have the resources to pay off the debts, but it could offer to assume responsibility for them on the understanding that new dehkan farms would have five to ten years to pay them off and that no interest would be charged. With financial independence and no interest to pay, most farms could quickly pay off the inherited debts.

The International Monetary Fund, Asian Development Bank, and World Bank are currently working on finding a solution to the debt problem. One possibility would be for

one of these organizations to provide the government with the funds it needs to assume responsibility for the debts.

(5) *Access to Credit in the Form of Money*

Once the farms are free from debts, they need to have some alternative to the current chain of investors. Credit in the form of money would give farmers much more freedom than credit in the form of inputs. As one dehkan farmer in Pyanj district said, “If I am given money, I know what to do with it. I will buy inputs from the market when the prices are low and save them for when I need them. Things would be so much cheaper and easier.”

A diagram of an ideal financial system can be found in Figure 10. In this system, farmers would take monetary loans from local banks at the beginning of the year. They would take the money to the market and buy the inputs that they needed. At the end of the year, they would sell their harvest to foreign investors. They would use the money they received to pay back their loans and keep any extra money as profit. The financial structure in Figure 10 is intended to be contrasted with the current financial structure depicted earlier in this report (Figure 5).

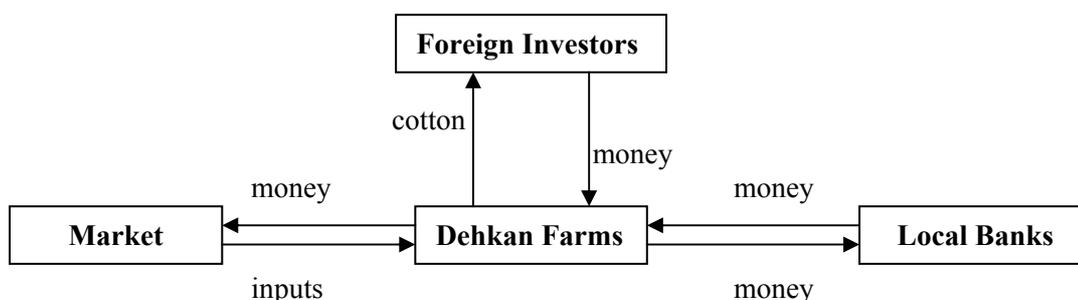


Figure 10. Ideal Structure of Dehkan Farm Finances.
AAH Tajikistan 10/2003

Can this proposed system be realized in the future? The main problem is the lack of local banks that can loan money to farms. Dehkan farmers who have tried to get credit from banks report that the banks either do not have enough funds to make loans or charge very high interest rates.

It is beyond the scope of this study to suggest ways in which the banking system of Tajikistan can be reformed. The need, however, is clearly there. In the words of the manager of a collective dehkan farm in Kabodian, “If the banks are free, the farms are free.”

(6) *Further Monitoring of the Land Reform Process*

As this study has shown, national statistics on the progress of the land reforms are not enough to get a full picture of how the new laws are being implemented at the local level. Feedback from local officials and farmers themselves is necessary to better understand what difficulties the land reform process is facing and how these difficulties can be resolved in the future. This study sought to provide such in-depth information for five sample districts in Khatlon oblast. Future studies could focus on other districts in Khatlon or in other parts of the country.

The interest in land reform monitoring is great. The State Land Committee and other government agencies are interested in improving and facilitating the land reform process. The International Monetary Fund, the European Commission Food Security Program, and other international donor organizations are interested in making sure that the conditions they have set for land reform are being met or that the funds they have allocated for land reform are being used in an effective way.

Such monitoring could be carried out by international organizations, in cooperation with the State Land Committee and with the support of institutional donors. The Mountain Societies Development Support Programme (MSDSP) of the Aga Khan Foundation conducted some preliminary studies on land reform in the Rasht valley as part of its baseline survey in 2002. UNIFEM is currently seeking to establish a national-level feedback mechanism to keep the government informed on the problems and progress of the land reforms. This study in Khatlon by AAH complements these efforts. In the future, greater cooperation among international organizations and support from donors could help create a nationwide land reform monitoring network.

(7) Expansion of the Legal Framework

Up to this point, this report has focused on suggesting ways in which the implementation of the existing land laws can be improved. But will the current legal framework ultimately be sufficient to create a functional system of successful dehkan farms?

The main problem perceived by AAH in the current system of land tenure is the lack of fluidity in land ownership. The government currently retains ownership of the land, and the land cannot be bought or sold by farmers. In order for ownership of the land to change, it has to be taken back and redistributed again.

Some dehkan farms in Khatlon have experienced chairmen who have succeeded in paying off their inherited debts and steering their farms towards increasing profitability. Other farms are slipping further into debt, as ineffective chairmen make wrong decisions and struggle to keep their workers motivated. Under the current system, these failing farms have to apply to the local government to give back their land. This land then goes back into the special fund, where it can be distributed to new applicants for dehkan farms.

In a more fluid system, the successful farms or new applicants would be able to buy land directly from the unsuccessful farms. By removing the intermediate steps, this would ultimately make it easier for people to get land. In addition, it would foster the emergence of more profitable farms.

The introduction of such fluidity should be a priority of the next phase of the land reforms. When the current reorganization project is complete, all farmers should either have their own land or a clearly-defined land share in a large farm. Once this is the case, they should then be allowed to sell that land or those shares. Workers who want to move to Dushanbe, for example, should be able to sell their shares in the farm and use the money to start a new life in the city.

XII. Conclusion

Since its independence in 1991, Tajikistan has made significant progress in laying the legal foundation for meaningful land reform, which will ultimately empower farmers and benefit the country as a whole. By 2005, all eligible kolkhozes/sovkhozes are scheduled to be converted into dehkan farms, independent managing agents outside of direct state supervision and control. Individual citizens, meanwhile, have the right to start their own dehkan farms by applying for land to the local authorities.

How have these new laws changed the lives of ordinary people? In order to assess the impact that the land reforms have had so far, AAH interviewed their intended beneficiaries – the farmers. Despite the fact that the privatization process is almost complete, AAH found that very few households (3.5%) have actually received their own dehkan farms. In order to meet privatization targets, many kolkhozes/sovkhozes have been converted directly into large, collective dehkan farms, and most workers remain unaware of the changes. The small, independent dehkan farms that do exist are now almost all part of large associations of dehkan farms.

AAH also found a substantial gap between the generous legal measures that provide extensive freedoms to dehkan farms and the actual situation in the districts. None of the dehkan farms encountered during the course of this study are free to choose what crops to grow on their land because of a continuing government production plan for cotton. Financially, dehkan farms are unable to exercise many of their freedoms because of debts inherited from the former kolkhozes/sovkhozes. Their creditors – local investors like Tamir and Somoni Century 21 – have in fact been the biggest beneficiaries of the land reforms. These local investors manage the activities of their debtor farms and make most of the money from their cotton production.

Most households (86.3%) continue to be workers on large farms. The farms pay little or no salary, and the main motivation for people to continue to work is the cotton sticks, which they depend on for fuel for cooking and heating their homes in winter. Many men have left the villages to earn money in cities and abroad, leaving the women behind to work on the farms.

Why have more people not taken land? The primary factor is a lack of knowledge among workers about the land laws and their rights – only 7.8% of interviewed households know how to apply for land. Secondary and tertiary factors include the perceived financial inviability of dehkan farms and occasional resistance from local authorities.

The goal of this study has been to alert the government and other international organizations to the problems that the land reform process is currently facing and to suggest ways in which these problems can be overcome. The seven principal program and policy recommendations of AAH include training for farmers on the land laws and their rights, improved access to credit in the form of money, and further monitoring of the land reform process.

Tajikistan's land reforms are a work in progress. Land privatization is not a simple task that can be accomplished overnight. Substantial progress has already been made, and much work remains to be done. Although problems do exist, they can be surmounted through concerted efforts to disseminate information to local populations and support struggling farms. As part of its fight against hunger, AAH is committed to cooperating with the government, donors, and other international organizations on these fronts in order to improve access to land in the future.

Appendix 1

The Law “*On Dehkan Farms*”
(April 2003)

Translated by S. Jomatov and O. Porteous

**Decree of the
Majlisi Namoyandagon of the Majlisi
Oli of the Republic of Tajikistan**

**On passing the Law of the Republic of Tajikistan “On dehkan farms” and
introduction of it into action**

The Majlisi Namoyandagon of the Majlisi Oli of the Republic of Tajikistan hereby
decides:

1. To pass the Law of the Republic of Tajikistan “On dehkan farms”
2. To enter into action the Law from the date of its publication.
3. The Government of the Republic of Tajikistan should:
 - submit to the Majlisi Namoyandagon of the Majlisi Oli of the Republic of
Tajikistan proposals to adjust the laws of the Republic of Tajikistan to be in
conformity with the Law;
 - make future decrees in conformity with the Law.

**Chairman
of the Majlisi Namoyandagon of the Majlisi
Oli of the Republic of Tajikistan**

Khairulloev S.

March 19, 2003, Dushanbe city
No. 568

**Decree of the
Majlisi Milli of the Majlisi
Oli of the Republic of Tajikistan**

On the Law of the Republic of Tajikistan “On dehkan farms”

Having reviewed the Law of the Republic of Tajikistan “On dehkan farms”, the Majlisi
Milli of Majlisi Oli of the Republic of Tajikistan hereby decides:

To approve the Law of the Republic of Tajikistan “On dehkan farms”

**Chairman
of the Majlisi Milli of the Majlisi Oli
of the Republic of Tajikistan**

Ubaidulloev M.

April 23, 2003, Dushanbe city
No. 273

The Law of the Republic of Tajikistan

On dehkan farms

Article 1. Goal of the Law

The Law defines the legal basis for the creation and activity of dehkan farms in the Republic of Tajikistan.

Article 2. Legislation on dehkan farms

The legislation of the Republic of Tajikistan on dehkan farms is based on the Constitution of the Republic of Tajikistan and consists of the Law, other legal normative acts, and international legal acts acknowledged by the Republic of Tajikistan.

Article 3. Concept of a dehkan farm

A dehkan farm is an independent managing agent, carrying out its activity without forming a legal person and based on labor of the individual or family members and other persons, jointly promoting agricultural production, which is based on the land plot and other property in its possession.

Article 4. Members of a dehkan farm

Members of a dehkan farm can be a husband and wife (married couple), children, adopted children, parents, and others persons jointly working on the farm.

The person who works on a dehkan farm as hire is not member of the dehkan farm and their labor relations with the dehkan farm are regulated by the legislation of the Republic of Tajikistan.

Article 5. The dehkan farm as a form of management

The dehkan farm, like commercial agencies and individual enterprises, possesses equal rights as part of the economic system. All of its management operations are conducted according to the agreement of parties on payment by cash or check.

The dehkan farm independently determines the structure and methods of its production, taking into account its own interests, and can be engaged in any kind of activity not prohibited by the legislation of the Republic of Tajikistan.

Interference in the management of the activity of the dehkan farm from the side of state agencies and officials is not permitted, except on grounds provided by legislation.

Article 6. The rights and forms of creation of the dehkan farm

Every able-bodied citizen of the Republic of Tajikistan has the right to create a dehkan farm.

A dehkan farm can take the following forms:

- a) a dehkan farm based on individual enterprise;
- b) a dehkan farm, a business activity which is carried out as a family business and on the basis of jointly held property;
- c) a dehkan farm, created in the form of a simple partnership on the basis of common shares of property and an agreement on joint activity.

Article 7. The head of the dehkan farm

The head of the dehkan farm can be one of its able-bodied members, possessing knowledge and skills and having practical experience working in the agricultural sector.

The head of the dehkan farm represents its interrelated interests with physical and legal persons and public organs in order to organize its management activities.

Article 8. The right of members of dehkan farms to create a management partnership or a production cooperative with the right of a legal person

Members of dehkan farms in accordance with the Civil Code of the Republic of Tajikistan can, on the basis of the property of the farm, create a management partnership or a production cooperative with the right of a legal person.

A management partnership or a production cooperative, like a legal person, has the right to property given to it in the form of shares and other fees by the members of the dehkan farm, in addition to property received as the result of its activities or gained from other sources not in discrepancy with the Law.

The fees of the members of the dehkan farm, who are participants in the management partnership or members of the production cooperative, are set according to their share in the total ownership of the property of the dehkan farm, as provided by the Civil Code of the Republic of Tajikistan.

Article 9. Coordination of the activities of dehkan farms

The coordination of the activities of dehkan farms and the realization of state policy with respect to scientific and technical progress, investment, and prognosis in this sphere are carried out by the representative bodies of the Government of the Republic of Tajikistan.

Article 10. Conditions of granting the land plot

The land plot for creating a dehkan farm is given for inheritable use on the basis of the application of the citizen to the appropriate body of the executive authority of the district (city) in the limits of its competence, as specified in the Land Code of the Republic of Tajikistan.

Dehkan farms can in addition lease the land for industrial purposes.

The land plot is allocated as an indivisible unit.

The cost of preparing land cadaster documentation, agrochemical inspection, and ecological investigation of the soil is paid from the resources of the state budget. Also, the landowner has the right to independently order and finance the specified works. The allocation of lands and the registration of the certificate for the right of land tenure are carried out at the expense of the dehkan farm.

Upon the organization of a dehkan farm on territory where there are no objects used for industrial and social purposes, the state takes responsibility for organizing the construction of roads, electrical lines, water supply, telephone installation, and land reclamation.

Article 11. Norms for granting the land plot for the creation of a dehkan farm

The land plot for the creation of a dehkan farm is given to citizens of the Republic of Tajikistan for inheritable use in the following types:

- a) from the land of agricultural institutions in the form of an average land share, according to the information of the institution, for every person who has a right to the land;
- b) from the special land fund in the form of a land share given by the district (city) to every able-bodied member who wants to create a dehkan farm.

Article 12. Formation of the special land fund for the creation of dehkan farms

For the creation of dehkan farms, the executive authority of the district (city) establishes a special fund from:

- a) lands that are out of use or have been exchanged for less valuable land;
- b) reserve lands;
- c) lands of all categories not designated for special purposes;
- d) lands allocated for agricultural production and not used within a year or allocated for non-agricultural purposes and not used for two years;
- e) lands of forestry enterprises which are not covered with trees and bushes and are suitable for agricultural production;
- f) lands of agricultural enterprises which are not used effectively;
- g) lands of dehkan farms that have stopped their activities;

h) lands which are reclaimed

Land plots identified and included in the special fund by the decision of the executive authority of the district (city) are used for the creation of dehkan farms. The consent of the former land users will not be required for taking these lands.

Dehkan farms cannot be created on lands used for seed growing, nurseries, livestock breeding, research, scientific industrial institutions, educational, experimental and vocational schools, general educational schools, and state water management.

Article 13. Establishment of the right of land tenure for dehkan farms

The right of land tenure is ensured by the certificate of land tenure, given in the name of the head of the dehkan farm in the manner prescribed by the Government of the Republic of Tajikistan. The right to lease land is determined by the contract made by the relevant parties.

Article 14. The mechanism for granting land plots from the lands of the special fund for the creation of dehkan farms

Citizens who wish to create a dehkan farm, including those who have moved from other districts for permanent residence, should submit an application with all necessary information to the executive authorities of the district (city) on the location of the land plot in order to receive the land plot as a dehkan farm.

The purpose for which the land plot will be used, the proposed site and its size, and the total number of able-bodied members should be pointed out in the application.

The executive authority of the district (city) makes the decision on granting the land plot within a month from the date of submission of the application.

In the case of lack of observance of the terms of the decision or the concealment of information on the existence of a special fund, the guilty persons are held responsible according to the legislation of the Republic of Tajikistan.

Any appeal of a decision of the executive authority of the district (city) to refuse granting of a land plot will be considered by the courts.

Article 15. The creation of a dehkan farm from state farms or other forms of management

The lands of state farms or other forms of management (except those specified in paragraph 3 of article 12) are conditionally allocated to permanent members by the decision of a general meeting between other citizens who are included in the list of share holders, which determines the rights of each citizen according to the local conditions, land resources, location, and other factors.

The size of the land share is established by the district (city) land committee and approved by the district (city) hukumat.

Article 16. State registration of a dehkan farm

In conformity with the legislation of the Republic of Tajikistan, a dehkan farm, after receiving the certificate granting the right of land tenure, is registered with the tax committee and statistical agency in the area where the farm is located.

Management partnerships and production cooperatives, which were organized in conformity with the legislation of the Republic of Tajikistan, after receiving their certificates on the right of land tenure, are registered with the judicial bodies of their locality and with the local state statistical agency.

Rural jamoats register every dehkan farm, management partnership, and production cooperative in the farm registry, where the basic information about them is recorded.

Article 17. The rights of a dehkan farm and its members

A dehkan farm and its members have the following rights:

- a) to manage the land independently;
- b) to lease part or all of the land plot in case of temporary disability, conscription into the ranks of the armed forces for active service, studies and other valid reasons defined by

- the legislation of the Republic of Tajikistan;
- c) in the case of the land plot being taken back by the state, to receive full compensation for investments to increase land fertility and losses, including lost benefits;
- d) to own or demand their share of all production and income gained from the utilization of the dehkan farm;
- e) to voluntarily refuse land tenure;
- f) to withdraw their shares from the dehkan farm without the consent of the other members of the dehkan farm;
- g) to use in the prescribed manner the mineral resources (sand, crushed stone, clay, stone, water sources) and other useful resources found on the dehkan farm land plot;
- h) to acquire, lease, or use temporarily the property of organizations and individual persons;
- i) to make agreements for carrying out its business activities;
- j) to exercise other rights provided by the legislation of the Republic of Tajikistan.

Hunting, fishing, collecting fruits (including nuts, medicinal herbs and other natural products), or other activities on the land plot of the dehkan farm are allowed only by the consent of the head of the dehkan farm on the basis of mutual agreement.

If there are buildings, stands of trees or other structures on the land plot that are impossible to remove to another plot, the dehkan farm compensates the former land user for his expenses, if parties do not reach another form of agreement. Henceforth these objects can be transferred to the dehkan farm.

Article 18. The obligations of the dehkan farm and its members

The dehkan farm and its members (those who possess land shares) are obliged:

- a) to use the land effectively with the goal of increasing its fertility, taking measures to preserve the land, forest and water resources and not allowing any deterioration of the ecological conditions as a result of management activities;
- b) to pay rent and land tax in due time;
- c) to promote the effective use of the land, so as to increase the level of the harvest and to submit in due time to the relevant bodies of the executive authority of the district (city) the required legal information on its activity and the use of the land;
- d) to provide compensation in the prescribed manner for any damage that has caused a reduction in land fertility and is committed by the land user;
- e) to observe all contractual obligations and terms of credit agreements;
- f) to not infringe on the rights of other land users

Article 19. Inheritance of the property and the rights of the members of a dehkan farm to land tenure

The property and the rights to land tenure of the members of a dehkan farm are inherited in conformity with the Civil Code of the Republic of Tajikistan.

Article 20. The financial activity of dehkan farms

The financial resources of dehkan farms are derived from the realization of production (labor and services), credit, budgetary allocation, donations, and other sources of revenue.

The financial activity of dehkan farms is carried out through bank accounts and other accounts, including currency accounts, credit operations, and all kinds of payments.

Withdrawal of assets from the bank account of a dehkan farm is only done by the consent of the dehkan farm or by the decision of the courts.

The financial activities of the dehkan farm are described in its annual report.

Article 21. Receipt of credit by dehkan farms

Dehkan farms can use credit in any form given by a bank on the basis of an agreement determining the conditions of credit.

Repayment of the credit taken by a dehkan farm is guaranteed by a pledge or another type of obligation.

Article 22. Labor on dehkan farms

Labor on dehkan farms is carried out mainly by the personal effort of the members of the farm.

The performance of tasks by contract with the hired labor of other citizens is regulated by the norms of the acting laws of the Republic of Tajikistan.

Payment for the labor of citizens who have made an agreement on the use of their labor is included in the farm's current expenditures and is given top priority. The payment of wages does not depend on the outcome of the activities of the dehkan farm, if there is no special agreement.

The members of the dehkan farm and citizens employed by contract by the dehkan farm are entitled to all rights provided by the legislation of the Republic of Tajikistan.

Article 23. The bookkeeping and reporting of the dehkan farm

Dehkan farms should keep records of the results of their activities.

Dehkan farms and associations of dehkan farms are obliged to submit reports on their activities to the state statistical agency of the Republic of Tajikistan.

Article 24. Insurance of the property of dehkan farms and associations of dehkan farms

Insurance of the property (agriculture, livestock, facilities, and other property) of dehkan farms and their associations is carried out in conformity with the civil legislation of the Republic of Tajikistan and the Law of the Republic of Tajikistan "On insurance".

Article 25. State social insurance and the social security of the members of dehkan farms

The members of dehkan farms are entitled to state social insurance on an equal basis. The insurance fee is deducted from the salary of the members of the dehkan farms. The actual expenses of the farm will be taken from income generated by the development of the dehkan farm.

The members of dehkan farms have the right to pensions in conformity with the legislation of the Republic of Tajikistan. All of their work on the dehkan farm is taken into consideration.

The members of dehkan farms are provided with a single temporary disability allowance and other privileges provide by the legislation of the Republic of Tajikistan.

The time that the members of the dehkan farm and other citizens who have been employed by contract on the farm have worked, as recorded in their workbook and documents confirming their payment of social insurance, will be taken into consideration when determining their length of service.

The bookkeeping of the labor activity of the members of the dehkan farm and citizens who have been employed by contract on the farm is conducted independently by the dehkan farm.

Dehkan farms are liable for any injury, mutilation, or other harm to the health of citizens who are employed by contract on the farm connected with the performance of their duties on the farms.

Article 26. State support of dehkan farms

Dehkan farms have the following privileges:

- a) to be registered for free. No payment is required for state registration of dehkan farms;
- b) by the order of the Government of the Republic of Tajikistan to be exempted from payment for electrical and water connections (not requiring the use of structures or technical equipment);
- c) to establish accounts in commercial banks free of charge;
- d) to receive preferential access to credit from commercial banks;
- e) to have priority access to fulfilling orders for state needs;
- f) to be provided with the means for supporting a small business and increasing the

- qualifications and training of their personnel;
- g) to use other privileges provided by the legislation of the Republic of Tajikistan.

Article 27. Taxation of dehkan farms

The taxation of a dehkan farm is carried out in conformity with the Tax Code of the Republic of Tajikistan.

Article 28. The concept and formation of an association of dehkan farms

An association is formed by the voluntary unification of independent dehkan farms. An association works on the basis of a constituent agreement and charter approved by its member farms. It is a legal person and is registered with the local judicial bodies.

Dehkan farms that are part of an association maintain independent rights to land tenure and are covered by the present Law.

The compulsory inclusion of dehkan farms into an association is prohibited.

Article 29. The management of an association of dehkan farms

The highest body of the management of an association of dehkan farms is the general meeting of its members.

The executive functions and coordination activities of an association of dehkan farms are carried out by the council of the association, which is headed by a chairman.

The council of the association is elected by the general meeting of its member farms.

Article 30. Manufacturing, financial, and management activities of an association of dehkan farms

For the realization of its goals and tasks the association of dehkan farms has the right:

- a) to carry out joint actions coordinated between its participants in the fields of commerce, finance and credit, and technical development;
- b) to establish financial and material resources through voluntary deduction in order to centralize its economic operations;
- c) to regulate the relation between its member farms by calculating prices and rates.

The association of dehkan farms is not responsible for the obligations of its member farms, and the member farms are not responsible for the obligations of the association, except when the association makes a guarantee on their behalf.

The conditions for withdrawal from the association and for liquidation of the association are established by its charter.

Article 31. Reasons for the termination of the activity of a dehkan farm

The activity of a dehkan farm terminates in the following cases:

- a) the termination of the right of land tenure as prescribed by the legislation of the Republic of Tajikistan;
- b) the decision of the members of the dehkan farm to terminate its activity;
- c) the absence of a member of the dehkan farm or heir who wishes to continue its activity;
- d) the use of the land plot in ways resulting in the degradation of the land;
- e) the taking back of the land plot for state and social need in conformity with the law;
- f) bankruptcy;
- g) reorganization of a dehkan farm into another legal form of organization.

Article 32. The procedure for liquidation of a dehkan farm

The procedure for liquidation of a dehkan farm is established by the relevant legislation of the Republic of Tajikistan.

After liquidation of a dehkan farm the land tenure is determined in accordance with the relevant laws.

When a dehkan farm is liquidated its property and assets are used for the payment of the salaries of citizens who are employed by contract, payment to the state budget, and repayment

of the bank and other creditors.

The remaining property and assets of the farm are kept as joint possessions or are distributed to the members of the dehkan farm.

Article 33. The resolution of disputes over the termination of activities and liquidation of the dehkan farm

Disputes over the termination of activities and liquidation of the dehkan farm are resolved by the courts in the prescribed manner.

Article 34. Responsibilities for violating the laws on dehkan farms

The physical or legal person who violates the laws on dehkan farms is made to answer according to the legislation of the Republic of Tajikistan.

**The President of the Republic of Tajikistan
Rahmonov I.
May 10, 2002. Dushanbe city
No. 48**

Appendix 2

Household Questionnaire

2003 AAH LAND REFORM STUDY
HOUSEHOLD SURVEY
(to be answered by the head of household)

DATE:

DISTRICT:

JAMOAT:

VILLAGE:

1. Is the head of household male or female? (1 – male, 2 – female) 1/2

2. How many members are in the household? people

3. Dehkan Farms Does your household have a dehkan farm? Yes/No

IF YES:

3.1 How many hectares? hectares

3.2 Is it part of an association of dehkan farms? Yes/No

3.3 Is it irrigated or rain-fed land? (1 – irrigated, 2 – rain-fed) 1/2

3.4 What kind of documentation do you have for your dehkan farm? 1/2/3/4

1 – land certificate with your name on it

3.4.1 How much did it cost to get this land certificate? Somoni

2 – shahotatnomai sakhmi zamin (membership certificate) with your name on it

3 – other documentation

4 – no documentation

3.5 Can your household decide which crops to grow on the dehkan farm? Yes/No

3.5.1 If not, who decides? 1/2/3/4

(1 – association manager, 2 – jamoat, 3 – hukumat, 4 – investors)

3.6 How much did your household pay in taxes last year for your dehkan farm? Som/Ha

3.7 When you received your dehkan farm, did it come with any past debts? Yes/No

3.7.1 How much money were the debts? Somoni

3.7.2 Who do you owe this money to? Creditor

IF NO:

3.8 Do you want to have your own dehkan farm? Yes/No

3.9 Do you know the process for applying for your own dehkan farm? Yes/No

3.10 Have you ever applied for your own dehkan farm and been refused? Yes/No

3.11 Does anyone in your household work on a dehkan farm? Yes/No (If No, skip to 4.1)

3.11.1 How much is the monthly salary for each worker? Somoni

3.11.2 What other benefits do you get from working for the dehkan farm? 1/2/3/4/5

(1 – food, 2 – cotton sticks, 3 – land, 4 – other, 5 – no benefits)

3.11.3 What kind of documentation do you have as a worker? 1/2/3/4

1 – land certificate with your name on it

2 – shahotatnomai sakhmi zamin with your name on it

3 – other documentation

4 – no documentation

3.11.4 Are you free to stop working for the dehkan farm if you wish? Yes/No

4. Kolkhoz/Sovkhoz

4.1 Does anyone in your household work for a kolkhoz/sovkhoz? Yes/No (If No, skip to 4.2)

4.1.1 How much is the monthly salary for each worker? Somoni

4.1.2 What other benefits do you get from working for the kolkhoz/sovkhoz? 1/2/3/4/5

(1 – food, 2 – cotton sticks, 3 – land, 4 – other, 5 – no benefits)

4.1.3 Are you free to stop working for the kolkhoz/sovkhoz if you wish? Yes/No

- 4.2 Does your household rent land from the kolkhoz/sovkhoz? Yes/No (If No, skip to 5)
- 4.2.1 How many hectares does your household rent? Hectares
- 4.2.2 How much do you pay each year in rent and taxes for this land? Som/Ha
- 4.2.3 Can you decide which crops to grow on your rented land? Yes/No
5. Presidential Land Does your household have presidential land? Yes/No (If No, skip to 6)
- 5.1 How many sots? Sots
- 5.2 Is it irrigated land or rain-fed land? (1 – irrigated, 2 – rain-fed) 1/2
- 5.3 What kind of documentation do you have for your presidential land? 1/2/3/4
(1 – land certificate, 2 – evidence paper, 3 – other documentation, 4 – no documentation)
- 5.4 Can your household decide which crops to grow on your presidential land? Yes/No
6. Household Plots Do you have a household plot? Yes/No (If No, skip to 7)
- 6.1 How many sots? Sots
- 6.2 What kind of documentation do you have for your household plot? 1/2/3/4
(1 – land certificate, 2 – passport, 3 – other documentation, 4 – no documentation)
- 6.3 Can your household decide which crops to grow on your household plot? Yes/No
7. Cotton Do you grow cotton on any of your land? Yes/No (If No, skip to 8)
- 7.1 On which type of land do you grow cotton? 1/2/3/4
(1 – dehkan farm, 2 – rented land, 3 – presidential land, 4 – household plot)
- 7.2 Why do you grow cotton on this land? 1/2/3/4/5
(1 – pay back debts, 2 – pay taxes/rent, 3 – government requires it, 4 – association requires it, 5 – profit)
- 7.3 If you were free to choose, would you grow cotton on this land? Yes/No
8. Credit and Debts
- 8.1 From whom do you get your inputs (seed, fertilizer, machinery/fuel)? 1/2/3/4/5/6
(1 – private investors, 2 – kolkhoz/sovkhoz, 3 – association, 4- government 5 – NGO, 6 – market)
- 8.2 Do you use credit to obtain these inputs? (If No, skip to 9) Yes/No
- 8.2.1 Who gives you this credit? 1/2/3/4/5
(1 – private investors, 2 – government, 3 – bank, 4 – NGO, 5 - other)
- 8.2.2 What form does this credit take? (1 – money, 2 – inputs) 1/2
- 8.2.3 In what form do you repay the debts? (1 – money, 2 – cotton) 1/2
9. Please rate your knowledge of the land laws in Tajikistan on a scale of 1 to 5. 1-5
(1 – no knowledge; 2 – a little knowledge, 3 – some knowledge, 4 – much knowledge, 5 – very knowledgeable)
10. If we organized a training workshop on the land laws and your rights, would you attend? Yes/No

Additional Questions for Longer Interview

1. *Individual/Family Dehkan Farms*
 - 1.1 What was the process for applying for a land certificate for your dehkan farm? Please list all steps.
 - 1.2 If your individual dehkan farm came with some debts, will you be able to repay these debts? Are the debts increasing?

2. *Associations of Dehkan Farms*
 - 2.1 What is the difference in your opinion between the old kolkhoz/sovkhos and the new association of dehkan farms? Is your situation better under the new system? Do you have more freedom to make your own decisions about land use?
 - 2.2 How exactly is your association structured? Do you have your own plot that you are responsible for? Do you pay a certain amount of money or cotton to the association management each year?
 - 2.3 Did you decide to be part of an association rather than having your own individual dehkan farm? If so, why? Would you prefer to have your own individual dehkan farm?

3. What do you see as the advantages or disadvantages of having a dehkan farm? Why have you decided to apply or not to apply for a dehkan farm? What are some problems that prevent people from applying for a dehkan farm?

(For example, Is the process too complicated or expensive? Are the taxes higher on dehkan farms? Does the debt transfer discourage people? Do local officials discourage people? Are applications frequently refused? Etc.)

4. *Presidential Land*

Who received presidential land in your village? Who decided on the distribution? Do you think that the distribution was fair?

5. *Cotton*

What are the advantages and disadvantages to you as a farmer of growing cotton on your land?

6. *Credit*

If you receive inputs from a local investor, what are the terms of the contract? Do you pay a higher price for the inputs than you would elsewhere? For one hectare, how much seed, fertilizer, fuel, etc. do you receive and how much cotton must you pay in return?

7. *General Questions*

What are some of the biggest problems you face as a farmer? What changes or new reforms would most improve your situation?

Appendix 3

Village and Household Selection

Village Selection

In each district, a list of villages was compiled. The list was organized by jamoat and the villages in each jamoat were numbered (1,2,3,4,5...)

Starting with the jamoat with the greatest number of villages, one village was selected in each jamoat. The selection was made by drawing a number out of a hat.

After one village was selected from each jamoat, a second village was selected from each jamoat in turn (starting with the jamoat with the greatest number of villages) until a total of ten villages had been selected for the district. The same selection procedure was used as before.

Finally, an alternate village was selected in each jamoat using the same selection procedure. Monitors were instructed to go to the alternate village if there were not enough households in the selected villages in that jamoat.

Household Selection

Monitors were instructed to identify the center of the village. A pen was thrown up in the air, and monitors proceeded in the direction it pointed when it landed.

Monitors were instructed to interview every household on the right side of the path indicated by the pen. When they reached an intersection, the pen was thrown up again and the households on the right side of the new path were interviewed.

When the monitors reached the end of the village, they were instructed to return to the center of the village and follow the same path, interviewing the households on the left side.

If the required number of households (20) was still not reached, monitors were instructed to throw the pen up again at the center of the village and follow the same procedure as before.

If a village had less than 20 households, monitors were instructed to interview all of the households and then to proceed to the alternate village in that jamoat in order to have a total of 20 households.

Following this procedure, 1000 households were interviewed in 50 villages.

Appendix 4

List of Selected Villages

District	Jamoat	Village 1	Village 2	Alternate
Bokhtar	Mehnatobod	Khursandi	Yangi Fargona	Yangi Turmush
	Bokhtariyon	Kovun Teppa	Dusty	Ormod
	Zargar	Obodchilik	Pushkin	Komsomol
	Navbahor	Guli Surkh		Lenin Yuli
	Sarvati Istiqlol	1 st -May		Bainal
	Bustonqala	Eshma		Umarqazoq
	Oriyon	Komentern		Ok Oltin
Kabodian	Yangiyul	Frunze	Beshtimor	Kalinin
	Khodoiqulov	Havaskor	Bolshivek	Teshik Tosh
	Niyazov	Ozod	Ijtimoi	Komsomol
	Nazarov	Podstantsia		Sotsializm
	Nosiri Khisrav	Ravshanobod		Arabkhona
	Navobod	Kurdjalol		Navobod
	Kabodian	Chingilish-2		Zarkamar
Kolkhozabad	Tugalang	Maksim Gorky	Yosh Lenincha	Lokhuty
	Madanyat	Kolkhozabad	Marat	Yangiobod
	Uzun	Ittifoq	Pahtaobod	Pahtaaral
	Navobod	Pushkin		Lenin Yuli
	Kalinin	Orjonkidze		Lenin
	Frunze	Kommunar		Budyonov
	Guliston	Kirov		Orzu
Panj	Kuldimon	Yukori Khoja	Arab	Andijon
	Arab	Kirgiz	Pravda	Kazok
	Tugul	Shakardasht	Guliston	Echka
	Namuna	Namuna	Faizobodqala	Peshqadam-2
	Sarmantoy	Sarmantoy-2	Avangard	Beshkudun
Shaartuz	Kholmatov	Chinor	Parizh-Komuna & Leninobod	Bakhtiyor Karaboev
	Saiyod	Saiyod	Budyini	40 Let Pobeda
	Pahtaobod	Sultonobod	Mashinizatsia	Pahtaobod
	Nazarov	Aivaj	Khushodi	Dehqon Jamiyat
	Obshoron	Vatan		Gidrostroitel

Appendix 5

Sample Agreement for Rented Land

Agreement No. _____

Faizali Saidov farm, Bohktar district, on behalf of the
farm manager _____ from one side
and from the other side _____ have approved between each other:

The owner is obliged:

1. To provide _____ Ha of arable land for growing cotton. The harvest from each hectare of the land should be _____ cents and the total harvest should be _____ tons
2. To provide seeds
3. To provide machinery
4. To provide salary, from the selling of the produce
5. To provide a bonus of _____ for implementing more than the production plan
6. Rent should be allocated according to the brigade distribution

The tenant is obliged:

1. To cultivate the land on time
2. To use the land properly
3. To implement the farm's plan

In the case of not implementing the plan, the tenant should pay the farm from his other income.

In the case of using machinery and fertilizer from outside the farm, the tenant has the right to receive _____ from the landowner to cover the costs of the fertilizer and fuel.

Farm manager _____

Chief economist _____

Tenant _____

Acknowledgements

On a final note, I would like to acknowledge the contributions of several people without whose help this report would not have been possible. My translators, Samiddin Jomatov and Farrukh Shoimardonov. My monitors, Malika Inoyatova, Farhod Jalilov, Nodira Mamaradjabova, Jaloliddin Namozov, Hakim Mulloev, Rashidjon Sulstonov, Abdulhamid Azayoros, Ilhom Boltaev, Inom Dadaboev, and Davlatbi Ruziela. My drivers, Tohir Nurov, Farhod Hamidov, and Alijon Abdurakhimov. And Janice Setser, Severine Courtiol and the rest of the AAH Tajikistan team for their constant support.

I would also like to thank the State Land Committee for the cooperation of all of its representatives during the data collection for this report. I found them ready to help and genuinely interested in implementing the land reforms to the best of their abilities.