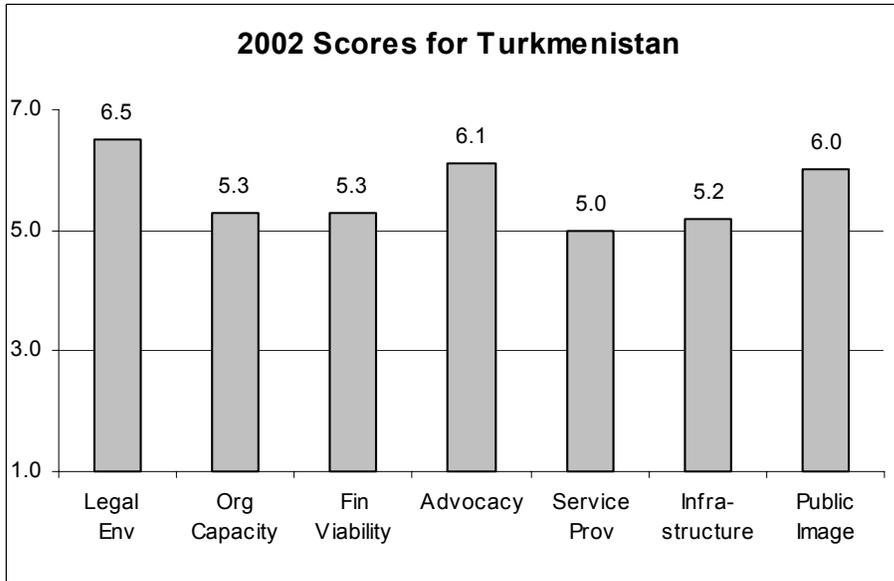

TURKMENISTAN



Capital:
Ashgabat

Polity:
Presidential

Population:
4,688,963

**GDP per capita
(PPP):** \$4,70

NGO SUSTAINABILITY: 5.6

The NGO sector in Turkmenistan remains the weakest in the former Soviet Union. According to the Counterpart Consortium's database, there were 267 public organizations and initiative groups¹ as of April 2002, an increase from 156 last year. As in previous years, registration remained the main problem faced by Turkmen organizations. Not a single independent organization was able to register over the past year, and the absolute majority of NGOs continue to work without registration. However, some groups received registration under governmental or quasi-NGO umbrellas. In addition, activists are now often obtaining licenses and patents "for individual labor activities," which allow them to conduct certain activities without of-

NGO SUSTAINABILITY	
2002	5.6
2001	5.8
2000	6.0
1999	6.6

ficial registration. Possession of several patents or licenses may even allow recipients to open a bank account. It is obvious that no groups will be able to register until a new NGO law is adopted. Although there has been a request from the President to draft a law, the government's willingness to adopt and implement one looks very unlikely.

Until April 2002, a serious crackdown ravaged public organizations in Turkmenistan. Many environmental NGOs were called in by law-enforcement agencies and harassed for working without registration and the KNB² broke up a class being led by another NGO. However, the harassment eased somewhat after April, when a number of high-ranking officials, including the Minister of the KNB and the Minister

¹ Initiative group is a name usually used for unregistered NGOs.

² Committee for National Security, former KGB.

of Internal Affairs, were fired by the President for organizing a coup d'etat.

Aside from a few officially recognized Soviet-holdover quasi-NGOs, such as the Union of Women, the Union of Veterans, the Union of Youth, and the Trade Union, that receive financial support from the government, NGOs are financially dependent on international donors. There are still approximately 10 international donors with an in-country presence. These donors work only with registered organizations, contributing to a lack of financial resources for most independent groups. The business community provides some financial assistance to a few NGOs; however, such assistance is sporadic and usually takes the form of barter deals.

NGO leaders and staff are predominantly

women. Many programs target specific gender needs, as well as other social issues – rights of disabled people, pensioners, and consumers, environmental problems, and others. Nationwide or local political advocacy by NGOs is non-existent; however, a few recent reforms in the country led to several protests by people in Ashgabad and other cities. There have been no known attempts over the past year to create coalitions to work on a common issue. NGOs are mainly run by strong personalities rather than democratic structures, and only a few, like the Water Users' Association, have a functioning Board of Directors. Along with the inability to register, this lack of democratic governance limits the ability of NGOs to become truly sustainable organizations based upon a stable and active membership and constituencies.

LEGAL ENVIRONMENT: 6.5

Although the issue of a new NGO law in Turkmenistan has been discussed for a number of years, no new law has been adopted, and this does not appear to be a government priority.

Without registration, NGOs are not able to fully and officially operate. At present, all NGO activities are regulated by the very general Civic Code and the outdated 1992 Law on Public Organiza-

LEGAL ENVIRONMENT	
2002	6.5
2001	6.5
2000	6.5
1999	7.0

tions. Laws and regulations often contradict each other or are not recognized by various officials. For example, the Civil Code does not prohibit NGOs from making a profit; however, NGOs are not legally allowed to make a profit without registration. Tax authorities do not always acknowledge the Civil Code when dealing with NGOs and often refer only to the Tax Code.

Recently, an increasing number of NGO activists have purchased licenses and patents to implement individual commercial activities. Licenses can be combined by several members, which may provide a legal basis

for opening a bank account, renting an office space, and providing social services. This, of course, does not prevent an organization from being shut down by any agency, should a government official decide to do so. The government justifies its control of NGO activities as necessary to "cease operation of any false NGOs." In reality, however, legal instruments are used to halt the operations of any non-loyal group for political reasons, under charges of tax abuses or similar violations. There are some lawyers who work with NGOs on legal issues but their work is complicated by the fact that NGOs cannot legally register.

No NGOs were able to register as a public organization over the past year. However, some NGOs were able to register as "public commercial organizations" or as groups under the umbrella of governmental bodies and quasi-NGOs. For instance, a number of environmental NGOs were registered under the umbrella of the Ministry of Nature Conservation. Such arrangements seem to satisfy both the Ministry of Justice and the organizations themselves.

There is no direct taxation of grants for Turkmen NGOs, however registered NGOs are subject to a social tax, personal income tax, 1% tax on property, and other local taxes. Taxes also apply to non-registered organizations that obtain licenses and pat-

ents to implement certain activities. In comparison with last year, the legal environment has not witnessed any improvements; however, NGOs have become more accustomed and begun adapting to this difficult environment.

ORGANIZATIONAL CAPACITY: 5.3

Most NGOs in Turkmenistan do have a willingness to improve their organizational capacity, however the above factors negatively affect their ability to do so. This year an increased number of organizations have developed clearly defined missions; however only 5-10% understand the need for a

ORGANIZATIONAL CAPACITY	
2002	5.3
2001	5.5
2000	5.8
1999	6.0

strategic plan and have the necessary skills and experience to develop one. For the most part, NGOs continue to be led and governed by strong

and active personalities, rather than by democratic structures. The role of a Board of Directors is unclear to most NGOs in Turkmenistan.

The scarcity of donors, a lack of local funding sources and general non-acceptance of local public organizations impede the development of organizational capacity.

Since many donors do not work with unregistered initiative groups, and those who do often do not have resources to provide training courses for all who need them, such groups lack the ability to ensure appropriate staffing, management structures, and advanced technical capacity. To a great extent, NGOs rely on volunteers – paid personnel is usually used as long as there is grant funding; once a grant is over, such personnel continue to work without being paid.

Technical capacity has improved somewhat in recent years. There are several Civil Society Support Centers (CSSCs) providing general services to many groups, such as access to Internet and e-mail; however, this access is very limited due to the low quality and high telephone costs in the regions. Many NGOs use computers, as well as other hardware and software that they received as grants from previous donors and intermediary support organizations.

FINANCIAL VIABILITY: 5.3

With few exceptions, the third sector remains dependent on international donors. Many international donors continue to work only with registered groups, which hampers the ability of non-

FINANCIAL VIABILITY	
2002	5.3
2001	5.5
2000	6.0
1999	7.0

registered NGOs to gain any long-term financial viability. It is still uncommon for organizations to receive financial assistance from local businesses or the gov-

ernment. Such assistance usually takes the form of barter deals: for example, an NGO might obtain office space in exchange for the use of computers or provision of free consultations.

Economic difficulties in the country, a lack of any tax incentives for businesses, and limited information about the NGO sector constrain local business philanthropy, although such cases do exist. For example, groups representing the interests of disabled people and pensioners in Ashgabad received some

assistance from the business community. Local governments may also provide financial assistance, but this depends on personal preferences of local governors. Fees are collected by a few organizations and are non-taxable, however they are minimal and do not contribute to long-term sustainability.

Although there are organizations that conduct financial management trainings, e.g. the School of Business, the Fund of Entre-

preneurship Support, and Counterpart Consortium, they can not sufficiently meet demands or they impose conditions that many NGOs cannot meet. In addition, the general negative attitude towards NGOs by the government does not allow NGOs to operate in a transparent manner. NGOs do not conduct financial audits or publish annual reports with financial statements for fear of generating problems with the law-enforcement agencies.

ADVOCACY: 6.1

NGO advocacy is practically non-existent in Turkmenistan. Despite this, some ties between NGOs and local and national governments have begun to appear recently. A Member of Parliament and a local governor deputy in charge of social issues are former NGO members. The little advocacy that exists is limited to local government and non-political issues. Some NGOs tried to work

ADVOCACY	
2002	6.1
2001	6.3
2000	6.3
1999	6.5

with the Institute for Democracy and Human Rights under the President; however, the director of the Institute was fired, halting any attempts to cooperate. The new leadership of the Institute is more reluctant to work with public organizations.

There are still no mechanisms for NGOs to participate in the political process, since NGOs are not officially recognized. Although the general attitude of local government towards NGOs was reported to have improved, real advocacy may cause a strong reaction from the government or law-enforcement agencies. There were no coalitions reported over the last year that lobbied interests on behalf of NGOs. Instead, international organizations, including the US and British Embassies and the OSCE, lobbied for NGO interests and played a significant role in protecting NGOs against law-enforcement agencies when any attempt to engage in advocacy-related work resulted in problems.

SERVICE PROVISION: 4.5

Despite the fact that the majority of NGOs are not registered and work semi-legally, they continue to provide services to their constituencies. After having problems with the government for performing activities without registration, some began obtaining licenses and patents to perform certain activities. These licenses and patents allow them to legally implement their work and render services; however, they are limited to a certain degree. For example, in order to

conduct classes in schools, an organization must officially obtain approval, which can be granted only if the organization is registered. Nevertheless, some groups (like RIF in Turkmenbashi) conduct classes in schools without such approval. Some projects were conducted together with the business and government bodies, like the Ministry of Nature Conservation.

SERVICE PROVISION	
2002	5.0
2001	5.0
2000	5.3
1999	6.0

Only registered groups can charge fees-for-services. The cost of licenses and patents varies from 4-5 Million Manats for education services (e.g., conducting ecological classes in schools, providing training courses, etc.) to 12 Million Manats for medical services. Usually, receiving licenses requires additional costs including bribes to relevant license-issuing agencies. In addition, any income generated from activities based on a license is taxed, making it very difficult for an NGO to achieve sustainability solely through such activities.

Outside of the capital, NGOs are frequently viewed as valuable service providers. Common NGO spheres of activity include education (environmental classes,

junior achievement classes, and others), information dissemination, consultations (legal, medical, etc.), and environmental protection (including special researches and studies). The Water Users' Association continues to be an active provider of potable drinking water to remote communities in northern Turkmenistan. Since activities are conducted either in the regions or for specific target groups, services generally meet the requirements and needs of those to whom they are provided. In addition, studies are conducted to ensure that there is demand for services. For example, Counterpart Consortium conducts Participatory Community Appraisals with NGOs that want to apply for grants, during which NGOs and community members jointly discuss and prioritize their needs. Grants must meet the identified constituencies' needs in order to be approved.

INFRASTRUCTURE: 5.2

There are three CSSCs operated by Counterpart Consortium, as well as a number of NGOs who have become strong enough to provide services to other NGOs, including Ecosodrujestvo in Ashgabad and EcoClub in Dashoguz. These play a significant role in providing access to information, including Internet and e-mail. With a telecommunica-

INFRASTRUCTURE	
2002	5.2
2001	5.5
2000	5.7
1999	6.5

tions monopoly in the country – Turkmentelkom -- Internet and email have become very expensive and unaffordable for most NGOs. This problem was exacerbated when Turkmentelekom arbitrarily raised Internet access rates by 300%. In addition, the resource centers have libraries, materials, and databases that NGOs may use. The majority of NGOs cannot afford to pay fees for the services that resource centers provide. There are also Intermediary Support Organizations (ISOs)

that redirect grants to NGOs from international donors.

Competition amongst NGOs is frequently noted. Nevertheless, NGOs do share information through a number of listserves, regular round tables, meetings, and personal connections. There have also been attempts to create a so-called NGO Forum to share views between NGOs. In addition, CSSCs and ISOs provide information about different sources of grants in the country, as well as other information.

In addition to the above services, CSSCs and ISOs continue to play a very important role as training providers to NGOs. Although the number of training courses was reduced due to a lack of funding, there is still a group of local trainers capable of providing both preliminary and advanced courses on various subjects, such as fundraising, sustainability, strategic planning, and advocacy. There are also trainers who can teach these

2002 NGO Sustainability Index

courses in the Turkmen language, which is especially important outside the capital.

There are several examples of NGOs working in partnership with local business, gov-

ernment, and media. A number of environmental NGOs have joint projects with the Ministry of Nature Protection and local government. Some NGOs work with the Ministry of Health and UNHCR on refugee programs.

PUBLIC IMAGE: 6.0

As reported above, NGOs experienced numerous problems with law-enforcement agencies until April, when the President fired both the Ministers of the KNB and Internal

PUBLIC IMAGE	
2002	6.0
2001	6.0
2000	6.2
1999	7.0

Affairs. However, while there has not been any serious harassment of NGOs reported since then, the KNB continues to be very involved in everyday

life, and remains a clear potential threat to NGOs, especially those who are actively involved in politically sensitive areas.

There have been no significant improvements in relations with the media (all of which is state-owned) over the past year. While it remains forbidden to use the term “non-governmental organization” in the press or media, the state media has begun to occasionally mention the work of “public associations” in certain fields, particularly ecology and health care. In other

cases, the media has referred to “clubs” or initiative groups. Usually, the general public and the business community are more aware of quasi-NGOs, like the Union of Women and the Union of Youth. Independent groups are often known among constituencies that they represent, like invalids or disabled people or environmentalists. Constituencies do support such groups and use them.

There is little chance that the public image of NGOs can be significantly improved until the generally suspicious attitude from the government changes. NGOs are reluctant to publish any advertisements in newspapers or any reports in public sources, as they are afraid of attracting attention to their activities. They prefer to remain in the shadows and keep as low a profile as possible. Usually information about public organizations is distributed to other groups and the public through newsletters, CSSCs, and round tables. In addition, a few NGOs are working on creating and publishing their own websites.