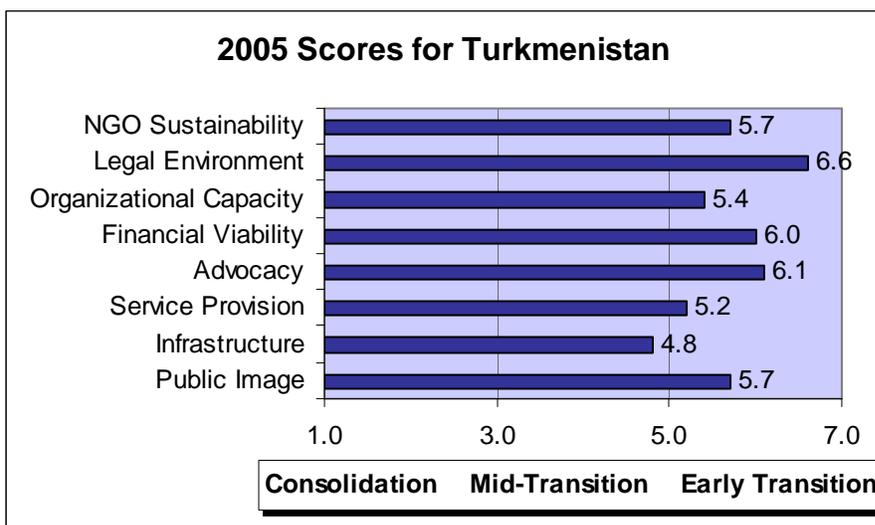


Turkmenistan



Capital: Ashgabat

Polity: Republic-authoritarian presidential

Population: 5,043,000

GDP per capita (PPP): \$6,100

NGO SUSTAINABILITY: 5.7

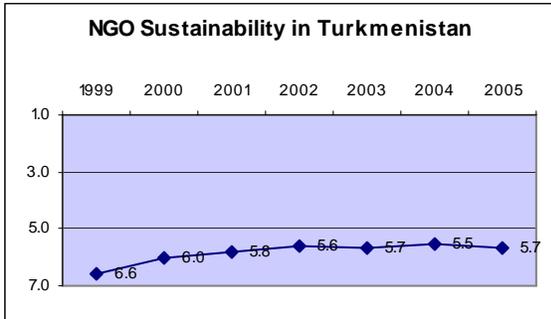
The Turkmen NGO sector continues to operate in a hostile environment. The registration process remains an obstacle, as only two organizations were able to register this year. NGOs often obtain patents or register as for-profit-entities to conduct their activities. While the process for registering grants with the Ministry of Justice continues to be an obstacle, NGOs are able to register community grants or grants to patent-based organizations with the State Agency for Foreign Investments.

The government is uninformed about the NGO sector, though in isolated instances government officials maintain a dialogue with and even supporting NGOs. The Ministry of Justice engaged NGOs at the Social Partnership Conference funded by the U.S. Embassy. In addition, government officials allowed community leaders from Kyrgyzstan to enter the country to visit with local NGO representatives after their change of government, despite fears that the “color” revolutions would spread.

Overall, the political situation has improved. The government did not make any mass arrests and has not required citizens to obtain exit visas, though it maintains a list of persons

deemed “not reliable” who are unable to leave the country. Officials control the NGO sector by requiring registered NGOs to submit financial reports to the Ministry of Justice and inform local authorities about their activities and requiring that government approval of training and workshops targeting NGOs. The government, however, has not harassed organizations or their members since the NGO law was enacted in 2003.²⁸ Internet access is difficult as the majority of internet cafes remain closed. The government only allowed two religious organizations to register, adding to the five registered last year. The government did grant citizenship to 16,000 Tajik refugees. The government fails to recognize the NGO sector, and government institutions are very critical of their employees’ NGO-related activities outside the workplace. In some instances, government agencies have threatened to fire those involved with NGOs. In one positive development, the Ministry of Health recently adopted a law allowing NGOs to provide health care services.

²⁸ In 2005, the Prosecutor’s office accused the leader of Bilim Nesil, a computer and language center, of fraud and detained him. Bilim Nesil receives grants from the U.S. Embassy, which helped secure its leader’s release and his flight to Israel.



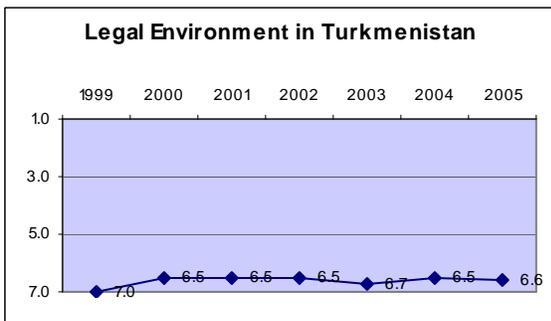
As much of the Russian-speaking population has migrated, NGOs are now predominately Turkmen. The majority of organizations are led by women, though men are becoming more involved. The sector is expanding to include

more business associations, sports clubs for youth, and human rights organizations. Social service organizations, which offer education, health care, water and utilities, and support for orphanages, generally have the most difficulties in registering. Local governments are often more willing to partner with NGOs and frequently collaborate with organizations to lead drug abuse prevention campaigns or offer legal services to victims of domestic violence. Counterpart International continues to offer NGO training programs and has opened four new resource centers across the country. These training centers, eight in all, are the only places in the country where people may gather to discuss issues.

LEGAL ENVIRONMENT: 6.6

The legal environment continues to be unfavorable for the NGO sector. The registration process is slow and the Ministry of Justice often denies registration without justification. Only two organizations were able to register this year with many applicants being denied as many as three times. Most in the sector grew very pessimistic about the registration process, though USAID encouraged and provided technical assistance to organizations as they applied. Even if an organization is able to register, it must contend with restrictive laws and invasive oversight by the Ministry of Justice. One provision, for example, requires that an NGO re-register if even one member leaves the organization. These difficulties have forced NGOs to search for alternatives, such as getting patents or registering as commercial entities.

more confidence to advocate for their rights and even attempt to reform the registration process. At the Social Partnership Conference in August 2005, NGOs proved most knowledgeable of the NGO law and openly expressed their criticisms of the registration process. The process for registering grants is even more complex than for registering an organization. Despite the difficulty, the Ministry of Justice did accept all applications to register institutional grants. In August, the State Agency for Foreign Investments repealed many of the complicated requirements for registering community development grants.



The Ministry of Justice drafted the NGO Law without having done any research on NGOs and their activities or needs. As a result, it is often restrictive and difficult. One provision requires NGOs to be approved by an appropriate ministry when applying for registration; most ministries are negative about the NGO sector. The NGOs have been able to change the government's view of the NGO sector somewhat by engaging in constructive dialogue and other positive interactions. In one example, the government required that in order for grants to be registered, NGOs and community members had to open bank accounts; but when ICNL explained to government officials that Counterpart/Turkmenistan will give grants in the form of

International organizations such as ICNL provide training and legal services, giving NGOs

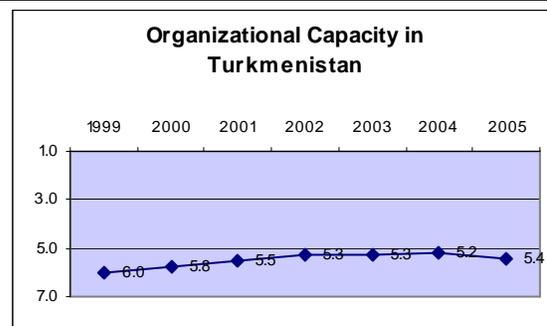
goods and not cash, the Ministry of Justice and SAFI repealed this requirement. This change of attitude is also evidenced by the Ministry of Health's permitting NGOs to provide health care services.

If an organization earns an income, it must pay a social tax, personal income tax, and VAT. According to the NGO Law, organizations are not subject to the property tax, as they were under the older provisions of the civil code. NGOs are also exempt from taxes on grants and rent, and unlike last year, the government did not force any organization to pay.

ORGANIZATIONAL CAPACITY: 5.4

The registration process has a direct impact on the organizational capacity of NGOs. If organizations are unregistered, they are unable to access institutional grants and other funding specifically designated for organizational development. The registration fees also detract from funds that would otherwise be used for capacity building and training. The registration process has forced many NGOs to be more aware of their organizational structures and program activities. Registered organizations have attempted to adhere to basic standards of transparency in their operations, but unregistered organizations have not. Organizational capacity has also been affected by economic and social conditions, as individuals with higher levels of education migrate to find work in other countries. Most NGOs rely on volunteers because they lack the funding necessary to hire a staff. After the NGO Law was enacted in 2003, the NGO sector began to address these obstacles. Organizations that survived have the benefit of experience, which has increased their professionalism, promoted strategic planning, and developed their human resources. In addition, they have placed special emphasis on their financial accountability and reporting systems, as well as their organizations' democratic principles.

Attorneys trained by ICNL are assigned to civil society support centers in four regions of Turkmenistan. They provide technical assistance for NGOs to help them understand the law and regulations, and advocate for their rights at the local level. In addition, NGOs such as Keik, Okara, Ilkinkiler and the Association of Accountants have qualified attorneys that provide services to NGO representatives. These activities have led to significantly greater access to legal services, which is important in a country without an independent judiciary and in which the government has stopped issuing attorney's licenses.



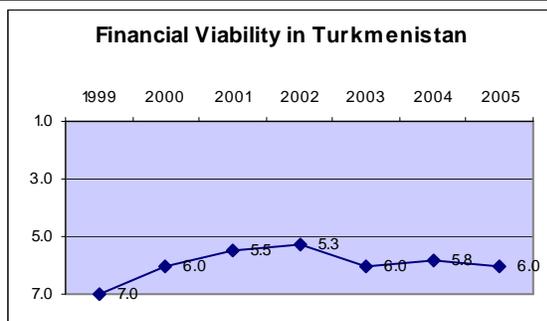
More organizations have adopted clearly defined missions and have strong understandings of the board of directors' role in strengthening organizational structure and transparency. The Law on NGOs, however, requires that the governing structure be composed of a General Assembly, which is responsible for both decision-making and managing the daily operations. Registered organizations produce annual reports, but generally these are only available to members and not the public. The Association of Accountants, Agama, and Keik Okara, however, are all planning to make their reports available to the public.

As a result of USAID-funded training, NGOs have significantly increased their social partnership, advocacy, and strategic planning skills. Other international training programs provide NGOs with leadership skills. Study tours funded by USAID and the Counterpart Travel program offer other opportunities for

Turkmen organizations to learn from other organizations throughout the region and other parts of the world. Grants from international donors have allowed almost all organizations to acquire up-to-date technology such as

computer, printers, televisions, and cameras. The USAID-funded resource centers located in five regions provide technological assistance and support, information, and internet access.

FINANCIAL VIABILITY: 6.0



The majority of organizations continue to depend on international donors, though limited domestic sources and registration requirements for foreign grants have forced them to seek alternative funding. While the concept of philanthropy is generally underdeveloped, a few corporations support NGO activities. Both international and domestic corporations, for example, support the Special Olympics for Disabled People NGO as well as other organizations that serve disabled citizens. Few others in the business community are even

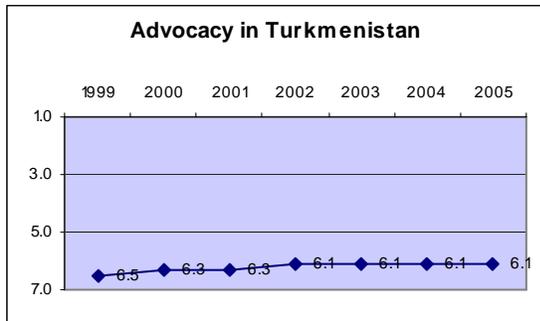
aware of the NGO sector, and those that are knowledgeable of the sector often fear being sanctioned if they provide support. The government does not offer any incentives to encourage philanthropy. Local governments do offer in-kind donations and some financial support. In Ovadan, the government provides financial and material support for the Mercy, Family and Health organization, which opened a summer camp for at risk children.

Some of the larger, registered organizations such as Keik Okara, UFO Funs, and the Association of Accountants charge membership fees, but these fees are not sufficient to fund all of their activities. A few organizations including Eco Center operate under individual patents and charge fees for services that they provide to various government institutions. Organizations are aware of the need for accounting and financial management services, but few can afford them. Agama also provides services for fees which supports their activities.

ADVOCACY: 6.1

Even in the current political climate, NGOs continue to engage in advocacy. Although NGOs did not engage in advocacy efforts at the national level, they had many successes with the local governments, which generally support community-based initiatives. USAID provides a variety of training programs aimed at increasing advocacy and leadership skills, which has been important for NGO members advocating for social and economic interests. Members of Ilkinjiler, a farmers association, received similar training from Counterpart International, which allowed them to advocate for their rights to sell wheat at the market price instead of the lower government-fixed price. Other farmer associations are following their example. In the Dashoguz region, the Watan community initiative built a desalinization plant. Upon completion, a conflict with the local

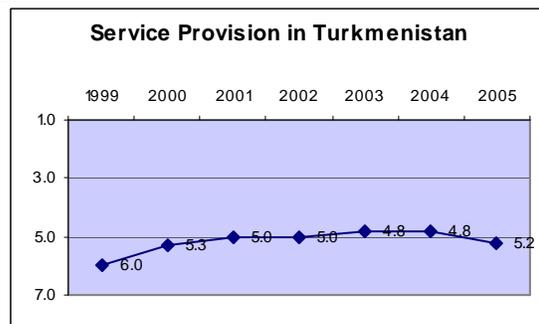
government arose concerning the group's tax liabilities, but advanced advocacy skills allowed the organization to explain the situation and negotiate a satisfactory solution with the local officials. Local governments in the region of Lebap Velayat have traditionally been unreceptive and even hostile to NGOs. Local organizations, employing the skills they gained from USAID and Counterpart training programs, have recently begun to engage these governments and partner on projects such as building a local sports complex.



Though the NGO sector did not engage in many national advocacy efforts, organizations did make significant efforts at the local level, especially in ensuring appropriate implementation of the local laws and regulations. A new organization, the Human Rights and Democracy group, recently applied for registration; it would be the first of its kind in Turkmenistan.

SERVICE PROVISION: 5.2

The new NGO law and registration provisions created obstacles for NGO service providers. Most service providers are unregistered, but continue to operate by obtaining individual patents or registering as commercial entities. For example, the ECO Center, which provides ecological education to government officials, was denied registration three times and is currently operating under a patent. A legal clinic formerly known as Bosphorus is now providing services to marginalized citizens but is registered as a commercial entity. Keik Okara provides language, computer, and social skills training to orphans and other at risk children.



Numerous organizations work closely with the government to solve social and economic problems. Mashgala Bahgala works with an HIV/AIDS center to organize drug prevention campaigns targeting youth and their parents. The Association of Accountants partners with the government economic agencies to provide accounting and management training, and to join the International Charter of Accountants.

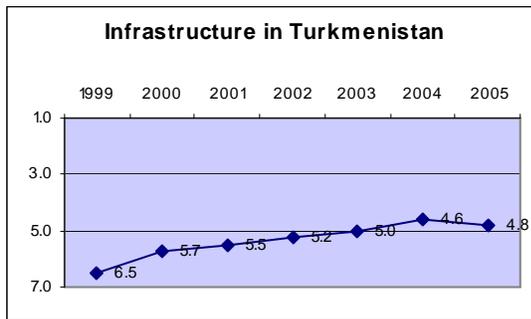
Counterpart International's new focus on training local facilitators has increased social activism, as well as strengthened leadership and the ability for citizens to identify community needs. More than seventy communities now provide services, up from fifteen last year. The Yangala community initiative group, for example, provides over 1,500 citizens in rural areas with a variety of services including training in critical thinking and agribusiness, legal consultations, and computer and informational support. It has also initiated similar social activism projects in ten other surrounding communities.

INFRASTRUCTURE: 4.8

Currently, USAID currently funds four civil society support centers and three resource centers across Turkmenistan. The support centers provide a range of services including access to information and the internet, consultations on projects, training programs, legal services and news bulletins. The discussion clubs give NGOs and their members the opportunity to discuss current issues, present their projects, and other activities. They also allow communities and organizations from

different regions to communicate and share information and experiences. Resource centers are the only facilities in the country that offer internet services. The new law on registration has increased the importance of the support centers' legal services with ICNL-trained attorneys playing a significant role in overcoming registration difficulties. The legal services also ensured that advocates were prepared when dealing with government officials. In one example, farmers were having

problems with their lease agreements after the new Land Law was passed. Resource center attorneys partnered with the Ilkinjiler Farmers Association to inform those involved so they could contact the Ministry of Justice, the Prosecutor General's office, and local governments. The problem was corrected and the farmers continued working.

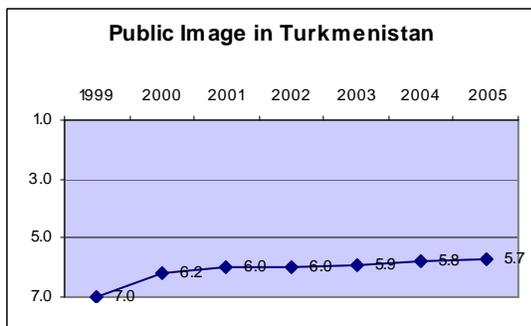


Numerous organizations provide training and other services to NGOs. The Eco Center provides information, internet access and consultations that support other organizations. The UFO Funs provides training, information,

computers, and consultations in Lebap, and is planning an NGO newspaper. The Union of Economists permits NGOs to use its library materials. The Women's Resource Center offers a wide range of materials on legal and gender related issues. Others provide organizations with training in advocacy, strategic planning, financial management, and fundraising. Counterpart International's new travel grant program allows NGO representatives to take advantage of international and regional training opportunities. Most of Counterpart International's training programs are in Turkmen, and they continue to train Turkmen-speaking trainers.

Obstacles such as registration have united the NGO sector to a certain degree, though competition for grants limits cooperation. Many organizations have come together around specific activities or issues. The Nature Protection and Eco Center work together on ecological protection campaigns. The sector, however, shows no signs of coalition building.

PUBLIC IMAGE: 5.7



The national government does not recognize the NGO sector or support events such as the NGO Social Partnership Forum. Interactions between government officials and NGOs during the registration process have had a positive impact on the officials' view of NGOs, which led the Ministry of Adalt to publish the NGO registration procedures, and simplify the

registration rules. The new law adopted by the Ministry of Health allowing NGOs to provide health care services is another positive development. The Union of Economists is partnering with the Ministry of Education to produce economic textbooks and is part of the Ministry of the Economy's Economic Methodology committee. Government institutions, however, continue to monitor and control NGO activities.

Citizens from the different levels of society have a better understanding of the significant role that NGOs play in their country's development. This increased understanding is especially true in the rural areas, where citizens consider the NGO sector a mechanism by which to change their lives. This appreciation is leading to an increase of support from the public.