

Capital: Tashkent
Population: 25 million (2001)
GDP(current US\$): 7.5 billion (2001)
Population below national poverty line (1999) : 29%
GDP per capita (current US\$): \$299 (2001)
GDP per capita (purchasing power parity): \$2,500 (2001)
Religion: Muslim 88% (mostly Sunnis), Eastern Orthodox 9%, other 3%
Language: Uzbek 74%, Russian 14%, Tajik 4%, other 7%
President: Islam Karimov
Prime Minister: Shavkat Mirziyayev
Ambassador to US: Abdulaziz Komilov



National Interest: Uzbekistan is important to U.S. national security and foreign policy interests due to: its role in helping the United States in the global war on terrorism; its commercial and geographic significance to the future prosperity and stability within Central Asia; and its role as a source and transit route for narcotics and possibly nuclear and other materials. With a large and growing population, a potential for strong economic growth, and an important geo-strategic location, Uzbekistan's economic and democratic development remains central to the future prosperity and stability of the region. USAID's role is to focus on democratic and economic reform and conflict mitigation.

OVERVIEW OF USAID'S FOCUS IN UZBEKISTAN
FY04: Total FSA - \$35.7 million, USAID Total - \$25.215 million

Economic Reform (FY04 \$6.1 million, 24%): In Uzbekistan USAID concentrates its economic assistance on small and medium enterprise (SME) development and targeted assistance at the national-level to raise economic literacy and build institutional capacity for reform of the SME regulatory environment, including support for WTO accession (Pragma). USAID is also assisting the Central Bank in introducing international accounting standards and banking supervision best practices (Abt Associates). At the grassroots level, assistance includes strengthening microfinance institutions (FINCA) and supporting a network of credit unions (WOCCU) to provide opportunities for self-employment and allow entrepreneurs to expand businesses, create jobs, and increase income.

Water (FY04 \$3 million, 12%): New USAID projects begun with FY02 supplemental funding will be completed in mid-2004. These include: potable water in the Karakalpakstan; information technology for the National Hydromet Service; infrastructure improvements for Surkhandarya district and the Zarafshan river basin; support for water user associations; and, cooperation with Basin Management Organizations. A new regional activity of particular significance to the Uzbekistan program is the new 5-year Water User Association Support Program (WUASP) covering Uzbekistan, Tajikistan and Kyrgyzstan.

Democracy and Media (FY04 \$6.3 million, 25%): Due to limited political space in Uzbekistan, USAID has traditionally focused on grassroots efforts through such programs as NGO development (IREX) and civic advocacy (Counterpart), support for independent broadcast and print media (Internews, Adil Soz), legal reform and judicial ethics (ABA/CEELI), and judicial training (IRIS). USAID supports protection of human rights through a human rights legal clinic (ABA/CEELI), training and resources for human rights defenders (Freedom House), and anti-trafficking activities (IOM). USAID also addresses basic living conditions through work with condominiums (Urban Institute).

Conflict Mitigation (FY04 \$0.3 million, 1.2%): Through the Peaceful Communities Initiative (Mercy Corps) and the Community Action Investment Program (CHF and Mercy Corps), USAID promotes public dialogue in identifying sources of conflict and funding to address those concerns, often resulting in community-managed infrastructure projects. Target areas include: ethnically diverse communities in the Fergana Valley; and southern Uzbekistan.

Health and Population (FY04 \$7.4 million, 29%): The USAID health program is focused on improving primary health care; reducing infectious diseases including TB, and HIV/AIDS; and developing US – Uzbek partnerships for health management, medical education and community nursing. FY02 supplemental funding has enabled USAID to support a maternal and child health program in southern Uzbekistan, a drug demand reduction program, and a sports and health education program for youth. USAID also funds CDC sentinel surveillance, laboratory diagnostics, blood safety and international live birth definition activities.

Basic Education (FY04 \$0.25 million, 1.0%): USAID's Participation, Education, and Knowledge Strengthening in Central Asia (PEAKS) program seeks to improve basic education at the primary and secondary school levels. Activities include training in teaching methods that stress critical thinking and active learning; development of new textbooks that incorporate interactive methodology; community mobilization on education issues; capacity building for educational administrators; and infrastructure improvements (Academy for Educational Development, AED, Save the Children US and UK, and Abt Associates).

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