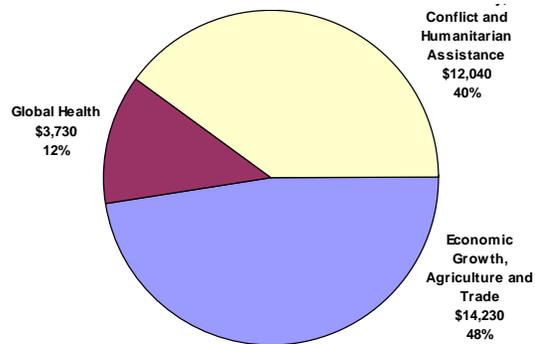
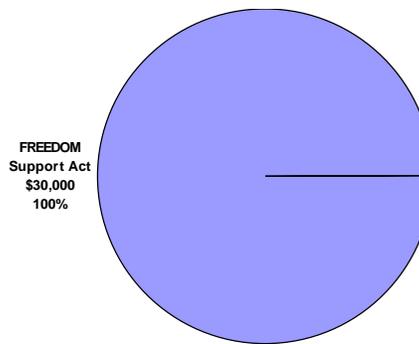


Kyrgyzstan

FY 2006 Assistance by Sector



FY 2006 Assistance by Account



Objectives and Budget

Objective	SO Number	FY 2004	FY 2005	FY 2006
Small and Medium Enterprises	116-0131	12,528	10,300	9,870
Energy and Water	116-0161	1,810	1,500	1,630
Democratic Culture and Institutions	116-0211	6,437	5,400	5,170
Conflict Prevention	116-0240	640	1,210	950
Health and Population	116-0320	5,312	3,900	3,730
Strengthened Basic Education Sector	116-0340	155	120	120
Cross-Cutting Programs	116-0420	2,265	1,540	1,520
Transfers		7,091	7,030	7,010
Total (in thousands of dollars)		36,238	31,000	30,000

Mission Director: George Deikun

Kyrgyzstan PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
FREEDOM Support Act	38,654	36,238	31,000	30,000
Total Program Funds	38,654	36,238	31,000	30,000

STRATEGIC OBJECTIVE SUMMARY

116-0131 Small and Medium Enterprises				
FSA	11,885	12,528	10,300	9,870
116-0161 Energy and Water				
FSA	1,675	1,810	1,500	1,630
116-0211 Democratic Culture and Institutions				
FSA	5,900	6,437	5,400	5,170
116-0240 Conflict Prevention				
FSA	0	640	1,210	950
116-0320 Health and Population				
FSA	5,458	5,312	3,900	3,730
116-0340 Strengthened Basic Education Sector				
FSA	0	155	120	120
116-0420 Cross-Cutting Programs				
FSA	3,824	2,265	1,540	1,520
TRANSFER				
FSA	9,912	7,091	7,030	7,010

Mission Director,
George Deikun

Data Sheet

USAID Mission:	Kyrgyzstan
Program Title:	Small and Medium Enterprises
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	116-0131
Status:	Continuing
Planned FY 2005 Obligation:	\$10,300,000 FSA
Prior Year Unobligated:	\$2,628,000 FSA
Proposed FY 2006 Obligation:	\$9,870,000 FSA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2007

Summary: USAID's program to improve the environment for the growth of small and medium enterprises (SMEs) includes: training and technical assistance to increase opportunities to acquire business information, knowledge, and skills; support for more responsive financial institutions, instruments, and markets; and assistance to improve the implementation of laws and regulations.

Inputs, Outputs, Activities:

FY 2005 Program: Enhance Participation in Global Trade and Investment (\$1,299,000 FSA, \$103,000 FSA carryover). USAID's Trade Facilitation and Investment Project (TFI) will continue working to develop trade and transit facilitation mechanisms to reduce high trade and transit costs and improve access of businesses to trade-related regulations of Kyrgyzstan and its Central Asian neighbors. TFI will continue working with business associations and local governments to reduce investment constraints, particularly in the Ferghana Valley. At the national level, the project will assist Kyrgyzstan in its legislative efforts aimed at reducing the level of government interference in business activities. The Investment Roundtable (IRT) will continue working with the Government to reduce barriers to investment. Principal contractors/grantees: Pragma Corporation (prime) and IRT (prime).

Improve Economic Policy and Governance (\$3,707,000 FSA, \$1,471,000 FSA carryover). USAID will strengthen the Government's capacity to formulate and execute budgets and improve public accounting and tax policy. USAID will improve civil and commercial laws and build capacity to implement laws in a transparent way. In addition to training the judiciary in civil and commercial law, USAID will support the preparation and dissemination of legal information and will assist in the development of an administrative procedures act. To promote transparency in the courts, the Judicial Opinion Database will be expanded by 40,000 pages. Support will be provided to further develop arbitration as a viable alternative to judicial resolution of commercial disputes. USAID will continue assistance in land reform to strengthen land markets and supporting institutions. Principal contractors/grantees: ARD/Checchi (prime), Helvetas (prime), and TBD (prime).

Improve Private Sector Growth (\$2,683,000 FSA). Under USAID's Enterprise Development Project (EDP), support will be provided to expand opportunities for businesses to start up, grow, and become more competitive. Principal contractor/grantee: Pragma Corporation (prime).

Enhance the Financial Sector's Contribution to Economic Growth (\$1,325,000 FSA). USAID will work with the National Bank of Kyrgyzstan (NBK) to continue to raise its compliance with Basel Core Principles. Training will be provided to NBK staff on international accounting standards. USAID will support financing opportunities for enterprises through assistance to microfinance institutions and our partnership with the European Bank for Reconstruction and Development's (EBRD) Micro and Small Enterprise Finance Facility. Principal contractors/grantees: European Bank for Reconstruction and Development (EBRD) (prime), and Agricultural Cooperative Development International/Volunteers for Overseas Cooperative Assistance (ACDI/VOCA) (prime), TBD.

Expand and Improve Access to Economic and Social Infrastructure (schools and higher education institutions) (\$587,000 FSA, \$1,054,000 FSA carryover). USAID will continue providing support to

strengthen the quality of business and economics programs in secondary and higher education institutions. The program will make courses more responsive to the needs of businesses and the economy, create faculty development and advocacy mechanisms, and help move educational institutions toward international standards. USAID, in partnership with Junior Achievement Worldwide (JA), will provide business and economics training to middle and high school teachers and build JA administrative capacity. Principal contractors/grantees: JA (prime), TBD.

Improve Agricultural Productivity (\$699,000 FSA). Assistance in Osh will concentrate on overall development of the agribusiness vertical supply chain as technical advice and training will go to farmers, agro-input retailers, and food processing companies. Principal contractor/grantee: International Fertilizer Development Center (IFDC) (prime).

FY 2006 Program: Enhance Participation in Global Trade and Investment (\$1,162,000 FSA). TFI will continue its activities partnering with associations and the Government to reduce costs of doing business and improve cross-border trade in the Ferghana Valley. Principal contractor/grantee: Pragma Corporation (prime).

Improve Economic Policy and Governance (\$2,719,000 FSA). Assistance will be provided to develop implementing regulations and train inspectors and taxpayers on a revised tax code to be approved in FY 2005. USAID will continue providing assistance to improve transparency in government expenditures and may expand assistance to improve the fiscal capabilities of municipalities. USAID will continue improving civil and commercial laws and building capacity to implement laws in transparent way. Further assistance in land reform will be provided. Principal contractor/grantee: TBD (prime).

Improve Private Sector Growth (\$2,785,000 FSA). Support will be provided to expand opportunities for businesses to start up, grow, and become more competitive. Principal contractor/grantee: Pragma Corporation (prime).

Enhance the Financial Sector's Contribution to Economic Growth (\$1,892,000 FSA). Assistance to microfinance institutions (MFIs) will aim to strengthen the capacity of these institutions to provide financial services to the poor. Work with the NBK will implement Basel Core Principles to improve supervisory capabilities. Assistance will be provided to the commercial banking sector to improve lending policies and attract more deposits. Principal contractors/grantees: ACDI/VOCA (prime), TBD (prime).

Expand and Improve Access to Economic and Social Infrastructure (\$723,000 FSA). USAID will continue its support to strengthen the quality of business and economics education at the university and the school level. Principal contractors/grantees: TBD (prime) and JA (prime).

Improve Agricultural Productivity (\$589,000 FSA). Further assistance in Osh will be provided to develop the agribusiness sector. Principal contractor/grantee: IFDC (prime).

Performance and Results: With USAID assistance, the Government adopted a WTO-compliant draft Law on Technical Regulations and assisted the Customs Service in the development and adoption of a new WTO-compliant customs code. Assistance was provided in drafting a new Tax Code. USAID implemented a nationwide training initiative to support fiscal decentralization. USAID's Commercial Reform Project supported the creation of a judicial opinion database containing 13,000 opinions issued by commercial courts. The Legal Assistance to Rural Citizens Project provided legal consultation and dispute resolution services to help rural citizens resolve their land-related disputes. Business and trade advisory services were provided to 81 businesses. Enterprise improvement services resulted in actual portfolio sales growth in excess of \$18.1 million, with an average 76% actual sales increase and 66% productivity increase for the assisted enterprises. By program's end, reforms to the regulatory and legal environment will help foster sustained growth of SMEs, which are critical to employment and revenue generation. In addition, entrepreneurs will have access to credit and modern business skills.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0131 Small and Medium Enterprises	FSA
Through September 30, 2003	
Obligations	27,677
Expenditures	14,417
Unliquidated	13,260
Fiscal Year 2004	
Obligations	10,734
Expenditures	14,117
Through September 30, 2004	
Obligations	38,411
Expenditures	28,534
Unliquidated	9,877
Prior Year Unobligated Funds	
Obligations	2,628
Planned Fiscal Year 2005 NOA	
Obligations	10,300
Total Planned Fiscal Year 2005	
Obligations	12,928
Proposed Fiscal Year 2006 NOA	
Obligations	9,870
Future Obligations	9,700
Est. Total Cost	70,909

Data Sheet

USAID Mission:	Kyrgyzstan
Program Title:	Energy and Water
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	116-0161
Status:	Continuing
Planned FY 2005 Obligation:	\$1,500,000 FSA
Prior Year Unobligated:	\$1,000 FSA
Proposed FY 2006 Obligation:	\$1,630,000 FSA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2007

Summary: USAID's energy and water program is helping Kyrgyzstan improve economic policy and governance; increase private sector growth; and expand and improve access to economic and social infrastructure. The Clean Energy and Water for the Poor Presidential Initiatives are supported via activities noted below.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Economic Policy and Governance (\$310,000 FSA, \$1,000 FSA carryover). Kyrgyzstan is home to Central Asia's major dams and hydroelectric power generating facilities. Because Kyrgyzstan has access to few oil and natural gas resources and has yet to implement tariffs and decrease energy losses to offset fuel imports, the country uses excessive amounts of hydroelectric power for winter heating. Downstream water users are dependent on the water stored in Kyrgyzstan for economically-important summer irrigation. Proper use of these facilities, with consideration of regional priorities, is important for reducing tensions in Central Asia. Through a program for regional cooperation in energy and water, USAID will continue to work with Kyrgyzstan authorities on bilateral and multilateral agreements for regional energy markets and water-sharing. Principal contractor/grantee: TBD (prime).

Increase Private Sector Growth (\$420,000 FSA). Agricultural Finance Plus (AgFin+) is part of USAID's agricultural development program, the purpose of which is to stimulate economic growth throughout the farm-to-market value chain. Agriculture plays a significant role in the economy of Kyrgyzstan, including 50% of employment. The AgFin+ project will increase the income of Kyrgyzstan's farmers by linking them to specific markets. The AgFin+ program, complementing USAID's economic development activities such as small business development, will also stimulate agriculture-related businesses such as agri-services, agri-trade, and agri-processing which are critical to the farm-to-market chain. Through improved production tied to specific markets, AgFin+ will link farmers to underserved markets, address financial constraints, provide on-farm support and coordinate with other agricultural sector programs and institutions. Principal contractors/grantees: Development Alternatives, Inc. (prime), Winrock International (sub).

Expand and Improve Access to Economic and Social Infrastructure (\$770,000 FSA). The growth of rural economies in Central Asia depends on local control of resources and increased citizen participation in decision making. Local management of water resources is critical to the agricultural economy of Kyrgyzstan, which represents 40% of GDP. USAID will increase its assistance to newly-formed Water User Associations (WUAs) in Kyrgyzstan. These non-governmental organizations (NGOs) have been legally mandated with the responsibility for water distribution and management for agricultural production. The program will work with the Government of Kyrgyzstan to promote and stimulate WUA policy and procedural reforms, develop irrigation system demonstration models, increase incomes through improved agricultural production, conduct public outreach campaigns, and implement a competitive small grants program to assist WUAs. Principal contractor/grantee: Winrock International (prime).

FY 2006 Program: Improve Economic Policy and Governance (\$360,000 FSA). Through a program for regional cooperation in energy and water, USAID will continue to work with Kyrgyzstan authorities on

bilateral and multilateral agreements to support the development of regional energy markets and water-sharing. This may include activities related to energy efficiency, regulatory policy, and participation in the Central Asia Cooperation Organization's Water and Energy Consortium. Principal contractor/grantee: TBD.

Increase Private Sector Growth (\$445,000 FSA). USAID will continue to invest in agricultural development through AgFin+ by expanding the number of target agricultural producers and businesses, increase their access to markets, and overcome constraints in the farm-to-market chain. Principal contractors/grantees: Development Alternatives, Inc. (prime), Winrock International (sub).

Expand and Improve Access to Economic and Social Infrastructure (\$825,000 FSA). USAID will continue assistance to newly-formed WUAs in Kyrgyzstan, including replication of efficient irrigation demonstration models; expanding public outreach to farmers, the government, and other donors; and continued implementation of a competitive small grants program. Principal contractors/grantees: Winrock International (prime).

Performance and Results: Kyrgyzstan has made very slow progress in improving the nation's energy system, due largely to a lack of commitment by the Government to enact essential reforms. However, USAID has been successful in assisting specialists on technical issues related to efficiency and energy losses. Energy losses, which regularly reach up to 40%, have been identified as one of the most serious corruption problems the nation faces, as well as a barrier to foreign investment. A critical part of USAID's energy loss reduction program has been the provision of equipment and training to enable specialists to better identify where losses are taking place and how they can be addressed. The World Bank recently committed a \$5 million loan to the four distribution companies to implement additional energy loss reduction pilot projects, following USAID's model. Successful heating efficiency demonstration projects have been completed at two schools in Kara Balta, achieving energy savings of 20% last year and anticipated higher savings this year. In water, specialists are using USAID training and equipment on a daily basis to forecast, plan, and share data regionally. USAID funded the development of two important management tools needed for improved management as part of a transboundary water and energy policy activity. The Decision Support System (DSS) for the Middle Syr Darya, a water planning model, was installed at key regional water management agencies and staff were trained in its use. The objective of the DSS is to facilitate transparent and equitable water distribution within Central Asia, and officials used the DSS for the first time in Kyrgyzstan this past year. The second management tool is the Naryn Cascade Operation Planning Instrument (NOPI), which is being installed and will be operational in FY 2005 in all four basin countries to plan and monitor regional water and energy exchanges. The NOPI will help to maximize power production at Kyrgyzstan's Naryn Cascade for any water release from the Toktogul Reservoir. USAID funded a loan guarantee program in Kyrgyzstan that will help villages improve their potable water supply. These small municipalities will consequently become eligible for participation in a World Bank loan program that will fund water infrastructure projects.

By program completion, demonstration models will be in place to improve heating efficiency, reduce energy losses in transmission systems, and harness hydropower. Specialists will be trained to effectively utilize and replicate these models. An improved system of collecting, analyzing, and transmitting water data also will be fully implemented, resulting in more effective management of critical resources. A greater number of WUAs will be producing higher yields and operating in a more favorable legislative environment. The resulting increases in crop yields, productivity, and income will be fully documented. Kyrgyz water and energy specialists and policy makers will have improved regional cooperation over shared water and energy resources through the use of internationally-recognized agreements and standards.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0161 Energy and Water	DCA	FSA
Through September 30, 2003		
Obligations	0	3,155
Expenditures	0	1,244
Unliquidated	0	1,911
Fiscal Year 2004		
Obligations	83	1,974
Expenditures	0	1,914
Through September 30, 2004		
Obligations	83	5,129
Expenditures	0	3,158
Unliquidated	83	1,971
Prior Year Unobligated Funds		
Obligations	0	1
Planned Fiscal Year 2005 NOA		
Obligations	0	1,500
Total Planned Fiscal Year 2005		
Obligations	0	1,501
Proposed Fiscal Year 2006 NOA		
Obligations	0	1,630
Future Obligations	0	1,550
Est. Total Cost	83	9,810

Data Sheet

USAID Mission:	Kyrgyzstan
Program Title:	Democratic Culture and Institutions
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	116-0211
Status:	Continuing
Planned FY 2005 Obligation:	\$5,400,000 FSA
Prior Year Unobligated:	\$803,000 FSA
Proposed FY 2006 Obligation:	\$5,170,000 FSA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2007

Summary: USAID's democracy efforts build stronger and more sustainable civic organizations, increase the availability of information on civic rights and domestic public issues, enhance opportunities for citizen participation in governance, and develop more effective, responsive, and accountable public institutions.

Inputs, Outputs, Activities:

FY 2005 Program: Support Democratic Local Government and Decentralization (\$940,000 FSA). USAID will train local officials in new budgeting processes, promote legal amendments to delineate functional authorities, and improve municipal management for better service provision and accountability. Principal contractor/grantee: Urban Institute (prime).

Support Democratic Political Parties (\$386,000 FSA, \$218,000 FSA carryover). USAID will provide technical assistance to a range of political parties on platform development, constituent outreach, internal governance, and sustainability between elections. USAID will provide ink and ultraviolet lights to the Central Election Commission. Principal grantees: International Republican Institute (IRI), National Democratic Institute (NDI), International Foundation for Election Systems (IFES) (all prime).

Strengthen Civil Society (\$2,403,000 FSA, \$239,000 FSA carryover). USAID will build the institutional capacity of a local Association of Civil Society Resource Centers (CSSCs). The advocacy program will target professional associations and democracy non-governmental organizations (NGOs), with possible additional support for elections-related outreach. The civic education textbook will be introduced to 62,000 new students, with 500 new students participating in extra-curricular activities. Following the February 2005 parliamentary elections, USAID will focus on constituent outreach, public hearings for legislative drafting and oversight, and improved procedures. Principal grantees: Counterpart International (prime), NDI (prime), Coalition for Democracy and Civil Society (sub), IFES (prime), TBD.

Establish and Ensure Media Freedom and Freedom of Information (\$679,000 FSA, \$109,000 FSA carryover). USAID will provide media with production grants, programming, and business training, and promote a supportive enabling environment. Freedom of speech advocacy will continue. Principal contractors/grantees: Internews Network (prime), Adil Soz (prime), International Center for Journalists (ICFJ) (sub), Internews Kyrgyzstan (sub), and various journalists.

Protect Human Rights and Equal Access to Justice (\$992,000 FSA, \$237,000 FSA carryover). USAID will support moot courts, mock trials, Street Law, a legal skills course, clinical experience, and substantive trainings. The new, three-year human rights program will focus on organizational development of human rights NGOs, national policy reform, adult education, information dissemination, monitoring policy implementation, and legal aid. A new, three-year anti-trafficking in persons program will focus on victim protection and enforcement. Principal grantees: Freedom House (prime), American Bar Association/Central European and Eurasian Law Initiative (ABA/CEELI) (sub), TBD.

FY 2006 Program: Support Democratic Local Government and Decentralization (\$967,000 FSA). The local government program will assist five to seven pilot cities to transition to a new budgeting system and

new functional assignments. Principal contractor/grantee: TBD (prime).

Support Democratic Political Parties (\$645,000 FSA). Assistance to political parties will continue. Principal contractors/grantees: IRI (prime) and NDI (prime).

Strengthen Civil Society (\$1,274,000 FSA). As USAID's civil society programs end in FY 2006, the emphasis of the program will shift to civic advocacy. USAID will continue, at a reduced level, institution-building of NGOs through direct funding to a local association of CSSCs. The civic education program will end this year with integration of the course into the curriculum. USAID will continue to work with parliamentarians on constituency outreach, citizen input into the legislative process, legislative drafting, and Executive Branch oversight. Principal contractors/grantees: Association of CSSCs (prime) and TBD (prime).

Establish and Ensure Media Freedom and Freedom of Information (\$706,000 FSA). USAID will facilitate media training, provide production grants and programming, and support local freedom of speech advocacy. Principal contractors/grantees: Internews Network (prime), ICFJ (sub), Internews Kyrgyzstan (sub), Adil Soz (prime), and various journalists (sub).

Protect Human Rights and Equal Access to Justice (\$1,578,000 FSA). The legal reform program will focus on program sustainability, continuing the legal skills course, moot court, mock trial, and Street Law programs. The human rights program will promote enforcement, facilitate dialogue between citizens, human rights defenders, and local officials, and support national advocacy campaigns. Anti-trafficking activities will focus on victim protection and enforcement. Principal contractors/grantees: Freedom House (prime), ABA/CEELI (sub), and TBD (prime).

Performance and Results: USAID had mixed results in FY 2004 on political reform. The new Law on Elections fell short of international standards. Parliament passed progressive laws augmenting the powers of local government, but draft legislation on political parties and public assembly suggest further potential for backsliding. Rule of law is steadily improving as evidenced by the decision to publish court decisions. By program's end, there will be stronger and more sustainable civic organizations, increased availability of information on civic rights and domestic public issues, greater opportunities for citizen participation in governance, and more effective, responsive, and accountable public institutions.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0211 Democratic Culture and Institutions	ESF	FSA
Through September 30, 2003		
Obligations	0	12,008
Expenditures	0	6,328
Unliquidated	0	5,680
Fiscal Year 2004		
Obligations	216	6,953
Expenditures	200	5,923
Through September 30, 2004		
Obligations	216	18,961
Expenditures	200	12,251
Unliquidated	16	6,710
Prior Year Unobligated Funds		
Obligations	0	803
Planned Fiscal Year 2005 NOA		
Obligations	0	5,400
Total Planned Fiscal Year 2005		
Obligations	0	6,203
Proposed Fiscal Year 2006 NOA		
Obligations	0	5,170
Future Obligations	0	5,800
Est. Total Cost	216	36,134

Data Sheet

USAID Mission:	Kyrgyzstan
Program Title:	Conflict Prevention
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	116-0240
Status:	New in FY 2004
Planned FY 2005 Obligation:	\$1,210,000 FSA
Prior Year Unobligated:	\$42,000 FSA
Proposed FY 2006 Obligation:	\$950,000 FSA
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: USAID's conflict mitigation activities are addressing conflict by identifying vulnerable communities, working to build consensus around sources of tension, and then tempering those sources through community infrastructure and social projects. Through this approach, USAID is addressing both the root and immediate causes of potential conflict through its conflict mitigation objective.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Community-Based Reconciliation Efforts (\$1,210,000 FSA, \$42,000 FSA carryover). Conflict prevention activities under the Community Action Investment Program (CAIP) will close during FY 2005. Emphasis is on sustainability training and plans for community groups to continue working on community mobilization and prioritization after USAID assistance ends. Final community projects under the CAIP program will be completed, and maintenance and strategic plans for implementation will be coordinated between communities and local authorities. The Peaceful Communities Initiative (PCI), extended for another two years, will expand to ten additional southern Kyrgyzstan border communities in the Ferghana Valley, with a new emphasis on regions where the potential for conflict is most pressing along the Uzbekistan border. Interventions with existing community clusters on the Kyrgyz border in the Ferghana Valley will continue towards self-sustainability and project graduation, building community capacity to mobilize funds in order to complete projects. Economic development and job creation will continue to target young people and focus on coordination with other partners to address issues of unemployment. These plans include trainings that place a greater emphasis on working with local authorities and the private sector as a means to advocate for community priorities. Principal contractors/grantees: Mercy Corps International (prime) and TBD (prime).

Through a competitive process, USAID will issue a new award in FY 2005, taking a more holistic approach to conflict prevention programming by combining community development with other key democracy programs such as media and information dissemination, local government reform, and civil society strengthening. Additionally, the community development program will focus on key cross-cutting sectors such as economic development, and water and energy resource management. Principal contractors/grantees: Mercy Corps International (prime) and TBD (prime).

FY 2006 Program: Improve Community-Based Reconciliation Efforts (\$950,000 FSA). During FY 2005, USAID will phase out CAIP and will begin a new program on expanded community mobilization. This program will focus on: community priorities; local government training and advocacy; and increased citizen participation, with a continuing program on cross-border mobilization in cluster communities where conflict vulnerability is likely to be much higher. The number of total beneficiaries is expected to reach approximately 300,000 during the life of the program. Principal contractor/grantees: TBD (prime).

Performance and Results: Kyrgyzstan's conflict prevention activities are focused in the south, where tensions run especially high due to: closed international borders restricting trade; disputes resulting from recent land reform measures; a general lack of information; government control of media; unemployment; manipulation by political and economic elites; and ethnically-motivated tensions in mixed areas such as the Ferghana Valley. At the end of FY 2004, USAID was active in 52 communities in southern

Kyrgyzstan, including border communities. Almost 750,000 people had directly benefited from USAID's programs through over 105 social and infrastructure projects completed during the fiscal year. Despite a perceived lack of resources, local authorities are contributing to USAID's projects in southern Kyrgyzstan, as citizens improve their ability to advocate for their interests. Over 30 projects were initiated, funded, and overseen by community members without USAID funding in FY 2004, far exceeding USAID expectations of eight projects. USAID-funded projects have resulted in 1,281 short-term and 5,719 long-term jobs since program inception. Three semi-annual conflict polls have been conducted and show a slight rise in tensions in USAID-assisted communities and overall in Kyrgyzstan. However satisfaction with the delivery of social and public services in these communities is rising overall and meets USAID targets. While results for percentage of cost share in USAID projects are the same as the baseline year, communities are initiating a far greater number of projects than USAID expected without USAID or other donor assistance. These projects, totaling \$132,586 this year, utilize skills honed by USAID in prioritization, participatory decision making, and transparent procurement systems. By program's end, USAID expects a growing trend of target communities reporting lessened tension or resolved conflicts, strengthened community participation, and improved satisfaction with local service delivery.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0240 Conflict Prevention	FSA
Through September 30, 2003	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2004	
Obligations	597
Expenditures	44
Through September 30, 2004	
Obligations	597
Expenditures	44
Unliquidated	553
Prior Year Unobligated Funds	
Obligations	42

Planned Fiscal Year 2005 NOA	
Obligations	1,210
Total Planned Fiscal Year 2005	
Obligations	1,252
Proposed Fiscal Year 2006 NOA	
Obligations	950
Future Obligations	1,210
Est. Total Cost	4,009

Data Sheet

USAID Mission:	Azerbaijan
Program Title:	Humanitarian Assistance
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	112-0310
Status:	Continuing
Planned FY 2005 Obligation:	\$7,907,000 FSA
Prior Year Unobligated:	\$3,438,000 FSA
Proposed FY 2006 Obligation:	\$7,907,000 FSA
Year of Initial Obligation:	2000
Estimated Year of Final Obligation:	2007

Summary: USAID's humanitarian assistance program focuses on improving the physical, social, and economic well-being of vulnerable populations in conflict-affected areas. This is promoted through providing direct health services and assistance in the development of community-based social and economic services. As the more immediate humanitarian needs have been met, this strategic objective is transitioning to activities with a focus on human and institutional capacity building in the Mission's new five-year country strategy 2006-2010.

Inputs, Outputs, Activities:

FY 2005 Program: Reduce Unintended Pregnancy and Improve Healthy Reproductive Behavior (\$1,452,000 FSA). The Azerbaijan Reproductive Health/Family Planning (RH/FP) project focuses on removing barriers to RH/FP services at the policy level by expanding contraceptive prescription rights to an extended group of health professionals including nurses, internists, and midwives. It will introduce a broad mix of contraceptives, improve the quality of RH/FP services and strengthen research on RH/FP through a demographics and health survey (DHS). Principal implementers: Engender Health and to be determined (TBD).

Build Health Systems Capacity (\$615,000 FSA). The new primary healthcare project will engage Ministry of Health (MOH) decision-makers in a policy dialogue to improve primary health care (PHC) financing, strengthen the PHC delivery system, and introduce integrated PHC models. The updated health data supplied by the DHS will help facilitate informed health reforms. Principal implementer: TBD.

Reduce Noncommunicable Diseases and Injuries (\$640,000 FSA). The new primary healthcare project

will focus on strengthening integrated PHC models by updating clinical skills of healthcare providers on noncommunicable illnesses such as hypertension and cancer screening/early detection and raising awareness of the general public through the health promotion. Principal implementer: TBD.

Improve Maternal Health and Nutrition (\$1,064,000 FSA carryover, \$197,000 FSA prior year recoveries). The new primary healthcare project will help integrate maternal health care services into the PHC delivery system, develop a new training package for antenatal care, and strengthen the health delivery system through training of doctors and nurses on maternal health including antenatal care and nutrition. Education of mothers and young women will also be addressed. Principal implementer: TBD.

Improve Child Survival, Health, and Nutrition (\$1,300,000 FSA). The new primary healthcare project will aim to strengthen pediatric health services, include integrated management of childhood illness (IMCI) protocols into primary healthcare services, and improve knowledge of child nutrition and prevention of diarrhea and acute respiratory infections for caregivers of children. Principal implementer: TBD. The aforementioned four program components will be integrated under one primary health care project.

Protect and Enhance the Assets and Livelihoods of the Poor During Periods of Stress (\$2,700,000 FSA, \$2,177,000 FSA carryover). The project will strive to reform social systems that affect vulnerable populations, ensuring that policy and procedural reform is instituted nationally and implemented at the grassroots level. Principal implementer: TBD.

Improve the Quality of Workforce (\$1,200,000 FSA). This activity will strive to improve the capacity of the workforce, and address competitiveness challenges and labor market issues through formal and informal education and training related, and service interventions in order that market supply and demand reach an equitable level. Principal implementer: TBD.

FY 2006 Program: Build Health Systems Capacity (\$540,000 FSA). The primary healthcare project will enter policy dialogue with the MOH to reach agreement on improved health financing schemes and integrated PHC models. Principal implementer: TBD.

Reduce Noncommunicable Diseases and Injuries (\$540,000 FSA). The primary healthcare project will work on strengthening the system of early detection and prevention of hypertension and cancer by training health providers and educating population on healthier behaviors. Principal implementer: TBD.

Improve Maternal Health and Nutrition (\$660,000 FSA). The primary healthcare project will start integrating maternal health care services into the PHC delivery system and promote healthier lifestyles among mothers and young women. Principal implementer: TBD.

Improve Child Survival, Health, and Nutrition (\$1,300,000 FSA). The primary healthcare project will focus on prevention of childhood diarrhea and acute respiratory infections, inclusion of IMCI into primary healthcare services and related health promotion activities. Principal implementer: TBD. The aforementioned four program components will be integrated under one primary health care project.

Protect and Enhance the Assets and Livelihoods of the Poor During Periods of Stress (\$3,167,000 FSA). The project will strive to reform social systems that affect vulnerable populations. The intervention will ensure policy and procedural reform is instituted at the national level and implemented at the grassroots level. Principal implementer: TBD.

Improve Workforce Quality (\$1,700,000 FSA). This activity will strive to improve the capacity of the workforce, related competitiveness challenges, and labor market issues through formal and informal education and training related, and service interventions in order that market supply and demand reach an equitable level. Principal implementer: TBD.

Performance and Results: In FY 2004, more than 489,722 recipients of USAID assistance benefited from training, economic activities, and healthcare support. Communities contributed \$409,786 (39%) to projects. On the whole, 48% of the beneficiaries were women. Community mobilization, business

development, and financial service delivery methodologies became more advanced. Other accomplishments included ensuring sustainability of community assets through integration and collaboration with local governance, strengthening government entities, and supporting development of microenterprises to provide a base for economic development in conflict-affected areas.

At the completion of this strategic objective, policy reforms on PHC financing and restructuring into integrated models and extending contraceptive prescription rights to health providers other than obstetricians and gynecologists will be achieved. Rates of unintended pregnancies, maternal and child mortality will be reduced and the health delivery system strengthened and institutionalized.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0310	DA	ESF	FSA
Through September 30, 2003			
Obligations	486	157	2,584
Expenditures	471	157	2,563
Unliquidated	15	0	21
Fiscal Year 2004			
Obligations	0	0	0
Expenditures	0	0	0
Through September 30, 2004			
Obligations	486	157	2,584
Expenditures	471	157	2,563
Unliquidated	15	0	21
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2005 NOA			
Obligations	0	0	0
Total Planned Fiscal Year 2005			
Obligations	0	0	0
Proposed Fiscal Year 2006 NOA			
Obligations	0	0	0
Future Obligations	0	0	0
Est. Total Cost	486	157	2,584

Data Sheet

USAID Mission:	Azerbaijan
Program Title:	Cross-Cutting Programs
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	112-0420
Status:	Continuing
Planned FY 2005 Obligation:	\$5,978,000 FSA
Prior Year Unobligated:	\$1,373,000 FSA
Proposed FY 2006 Obligation:	\$4,633,000 FSA
Year of Initial Obligation:	2000
Estimated Year of Final Obligation:	2007

Summary: This cross-cutting objective is comprised of training and small grants assistance that support all of USAID's strategic objectives. Training supports all objectives and consists of short and long-term training. The small grants assistance to private sector and civil society groups is an instrument to provide financial support to USAID's local partners.

Inputs, Outputs, Activities:

FY 2005 Program: Participant Training (\$2,953,000 FSA). The training program focuses on a variety of issues including poverty reduction, gender equality, youth empowerment, fiscal reform, community development, non-governmental organization (NGO) strengthening, journalism and media strengthening, rural health services, and municipal and national government capacity building. Principal grantee: World Learning.

Eurasia Foundation (\$1,730,000 FSA). Grants will be awarded to NGOs and private enterprises that promote Caucasus regional media linkages, resource management, and increased agricultural productivity. Civil society policy and information dissemination, social and economic demographic research and methodologies will be enhanced through small grants. Principal grantee: Eurasia Foundation.

Improve Quality of Workforce (\$600,000 FSA, \$600,000 FSA carryover). USAID will provide technical assistance and training to assist in achieving USAID's strategic objectives and to enhance participants' professional leadership role. USAID support will include the introduction of the Human and Institutional Capacity Development concept throughout its programs. As part of the overall participant training program, USAID will implement a Community Connections program to contribute to economic and democratic reform and to promote mutual understanding in Eurasia through exposure to U.S. society and personal connections with Americans. Through local community host organizations in the U.S., men and women entrepreneurs, local government officials, legal professionals, NGO leaders, and other professionals from Azerbaijan will be provided with a three to five week training program in the U.S. tailored to their professional or business interests. Principal implementer: Academy for Educational Development, and sub contractor to be determined (TBD).

Program Development and Support (\$20,000 FSA, \$773,000 FSA carryover). USAID will utilize these funds to support program-funded staff and to cover other costs related to program design and development.

Anti-Corruption Program (\$600,000 FSA). USAID is planning to start a program to support the Government of Azerbaijan's effort in fighting corruption. These support activities will be related mostly to programs in economic growth and democracy and governance areas. Principal implementer: TBD

Peace Corps Training Program (\$75,000 FSA). USAID will provide funding to Peace Corps for training of its staff, volunteers, and local counterparts. Principal implementer: Peace Corps (prime).

FY 2006 Program: Participant Training (\$2,400,000 FSA). A new activity with short and long term

training in Azerbaijan, in the U.S. and in third countries on a variety of topics supporting USAID's strategic objectives. Principal implementer: TBD.

Eurasia Foundation (\$1,500,000 FSA). USAID will support cross-regional civil society and economic grants to organizations. Principal grantee: Eurasia Foundation.

Community Connections/Exchanges Program (\$500,000 FSA). USAID will continue to support the Community Connections program with emphasis on human and institutional strengthening in support of its strategic objectives. Principal implementer: TBD.

Program Development and Support (\$233,000 FSA). USAID will utilize these funds to support program-funded staff and to cover other costs related to program design and development.

Performance and Results: Approximately 1,500 Azerbaijanis have participated in training events in the United States, third countries, and Azerbaijan in technical areas that support USAID's strategic objectives including civil society, independent media, fiscal reform, social-demographic research, natural resource management, conflict mitigation, and Caucasus regional issues.

Cross cutting themes including anti-corruption, gender, youth, trafficking-in-persons and Islam, will be emphasized in FY 2005 and FY 2006 in the participant training programs.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0420 Cross-Cutting Programs	ESF	FSA
Through September 30, 2003		
Obligations	120	39,659
Expenditures	120	20,634
Unliquidated	0	19,025
Fiscal Year 2004		
Obligations	0	3,001
Expenditures	0	5,151
Through September 30, 2004		
Obligations	120	42,660
Expenditures	120	25,785
Unliquidated	0	16,875

Prior Year Unobligated Funds		
Obligations	0	1,041
Planned Fiscal Year 2005 NOA		
Obligations	0	1,540
Total Planned Fiscal Year 2005		
Obligations	0	2,581
Proposed Fiscal Year 2006 NOA		
Obligations	0	1,520
Future Obligations	0	2,850
Est. Total Cost	120	49,611