

The Challenge

Following the March "tulip revolution" and the July presidential elections, along with the designation of a new cabinet of ministers in October, the key challenge in Kyrgyzstan is to build confidence in the new administration. Increased media freedom and legitimate elections are positive signs; impediments include attitudes reflective of central planning, corruption, organized crime, and uncertainty about inter-governmental relationships. Additionally, constitutional reforms, which would redistribute power toward Parliament and the judiciary, are stalled. USAID economic growth programs provide technical assistance to the Government and private sector in support of market-oriented reforms. Democracy programs work with civil society, media, human rights activists, and local government to foster civic participation and to combat human trafficking. Significant technical assistance also is provided for energy, health, and education sector reform and infectious diseases.

Objectives, Sectors and Workforce

Mission Director: Chris Crowley

MCA Status: Threshold Eligible

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Received

Program Budget (Appropriations by Objective)	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score	Direct SO Admin. Cost Ratio
116-0131 Small and Medium Enterprises	12,528	11,300	8,220	10,656	-14.9%	1.01	Met
116-0161 Energy and Water	1,810	1,500	1,390	1,797	-0.7%	1.72	Exceeded
116-0211 Democratic Culture and Institutions	7,186	7,226	4,200	5,456	-24.1%	0.73	Not Met
116-0240 Conflict Prevention	640	1,210	690	899	40.5%	1.18	Exceeded
116-0320 Health and Population	5,312	3,900	3,465	4,493	-15.4%	1.04	Met
116-0340 Strengthened Basic Education Sector	155	120	120	154	-0.6%	1.58	Exceeded
116-0420 Cross-Cutting Programs	2,265	1,539	1,545	1,990	-12.1%		0.00
Transfer to Other US Government Agency	6,825	8,331	5,120	6,555	-4.0%		
Country Total	36,721	35,126	24,750	32,000	-12.9%		

Program Budget (Appropriations by Account)	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
FREEDOM Support Act	36,721	35,126	24,750	32,000	-12.9%
Total	36,721	35,126	24,750	32,000	-12.9%

Program Budget by Sector and Account	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Basic Education FSA	155	120	120	154	-0.6%
Agriculture and Environment FSA	2,010	1,600	2,197	3,755	86.8%
Higher Education & Training FSA	2,034	1,331	575	79	-96.1%
Economic Growth FSA	14,979	13,381	9,059	11,379	-24.0%
Human Rights FSA	256	250	350	170	-33.6%
Democracy and Governance FSA	9,535	12,734	7,544	10,108	6.0%
Conflict Management / Humanitarian Assistance FSA	2,440	1,810	1,440	1,862	-23.7%
Family Planning / Reproductive Health FSA	987	207	155	242	-75.5%
HIV / AIDS FSA	855	907	1,099	739	-13.6%
Child Survival and Maternal Health FSA	2,763	2,162	1,528	2,745	-0.7%
Other Infectious Diseases FSA	707	624	683	767	8.5%
Total	36,721	35,126	24,750	32,000	-12.9%

*This program is managed by USAID's Central Asia Republics Regional Mission. The workforce for that Mission is shown in the Central Asia Republics Regional program profile.

Other Major Donors:

Bilateral: United Kingdom, Germany, Switzerland, Japan, Turkey, Sweden

Multilateral: Asian Development Bank; International Monetary Fund; World Bank; U.N. Development Program; European Union; European Bank for Reconstruction and Development; Organization for Security and Cooperation in Europe; World Health Organization; Global Fund to Fight AIDS, Tuberculosis, and Malaria; International Organization for Migration; Islamic Development Bank; Aga Khan Foundation; Open Society Institute

Kyrgyzstan PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2004 Actual	FY 2005 Actual	FY 2006 Current	FY 2007 Request
FREEDOM Support Act	36,721	35,126	24,750	32,000
Total Program Funds	36,721	35,126	24,750	32,000

STRATEGIC OBJECTIVE SUMMARY				
116-0131 Small and Medium Enterprises				
FSA	12,528	11,300	8,220	10,656
116-0161 Energy and Water				
FSA	1,810	1,500	1,390	1,797
116-0211 Democratic Culture and Institutions				
FSA	7,186	7,226	4,200	5,456
116-0240 Conflict Prevention				
FSA	640	1,210	690	899
116-0320 Health and Population				
FSA	5,312	3,900	3,465	4,493
116-0340 Strengthened Basic Education Sector				
FSA	155	120	120	154
116-0420 Cross-Cutting Programs				
FSA	2,265	1,539	1,545	1,990
TRANSFER				
FSA	6,825	8,331	5,120	6,555

Mission Director,
Chris Crowley

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 2006 Obligation:	\$8,220,000 FSA
Prior Year Unobligated:	\$1,539,000 FSA
Proposed FY 2007 Obligation:	\$10,656,000 FSA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2007

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

Inputs, Outputs, Activities:

FY 2006 Program:

Improve Economic Policy and the Business Environment (\$3,528,000 FSA, \$943,439 FSA carryover). USAID will strengthen central and local government fiscal management capacity and Parliament's capacity to conduct economic and policy analysis. USAID will also provide support to implement a pilot program to introduce more transparent tax administration processes with the Bishkek City Tax Inspectorate. USAID will assist in implementation of zoning regulations to offer more transparent investment alternatives to existing and potential land owners and users. USAID's planned new Business Environment Improvement Project will work with business associations, governments, and other stakeholders to increase the effectiveness and sustainability of local institutions and partnerships in their pursuit to improve the business, trade, and the legal environment. Principal contractors/grantees: Bearing Point, Chemonics International (CI), and to be determined (TBD) (primes).

Improve Private Sector Competitiveness (\$1,423,000 FSA, \$19,200 FSA carryover). USAID's Enterprise Development Project will train six local partners throughout Kyrgyzstan on trade transactions and help the e-commerce facility administered by the project to become a sustainable commercial service. USAID will shift its work in the area of Small and Medium Enterprise (SME) development from firm-level assistance to strengthening local business service providers to increase competitiveness of Kyrgyzstan's SMEs. Future work will entail provision of technical assistance to SME support institutions, professional business associations, and the private sector. USAID will support implementation of International Financial Reporting Standards through increased sustainability of the professional certification program and professional accounting associations, ultimately to improve transparency and competitiveness of SMEs. Principal contractors/grantees: Pragma Corporation and TBD (primes).

Improve Quality of Workforce through Vocational/Technical Education (\$400,000 FSA, \$356,185 FSA carryover). USAID will continue to strengthen the quality of business and economics programs in high schools and higher education institutions by helping them to become more responsive to the needs of businesses, creating sustainable faculty development and advocacy mechanisms, and supporting educational institutions to move toward international standards. Principal contractors/grantees: Carana Corporation and TBD (primes).

Increase Agricultural Sector Productivity (\$1,309,000 FSA, \$70,748 FSA carryover). Assistance will concentrate on the development of agribusiness through technical advice and specialized training courses. USAID will also contribute to this objective by improving land legislation and land management, and by eliminating constraints to the development of rural land markets. With an improved functioning land market, farmer beneficiaries will increase their land productivity. Principal contractors/grantees: International Fertilizer Development Center and CI (primes).

Strengthen the Financial Services Sector and Increase Access to Capital (\$1,560,000 FSA, \$8,989 FSA carryover). USAID will work with the National Bank of Kyrgyzstan to raise its compliance with Basel Core Principles. USAID will continue to strengthen the capacity of local banks and microfinance institutions to provide financial services to micro and small entrepreneurs on a sustainable basis. Special attention will be given to expand services to rural areas. Principal contractors/grantees: Bearing Point and TBD (primes).

Strengthen the Legislative Function/Legal Framework (\$140,063 FSA carryover). USAID will provide assistance to improve the commercial legislation framework. USAID will continue to build the capacity of legal professionals and the judiciary responsible for interpreting and applying laws and regulations, including third-party arbitration. Principal contractor/grantee: Associates in Rural Development (prime).

FY 2007 Program:

Improve Economic Policy and the Business Environment (\$4,568,831 FSA). USAID will continue its assistance to Parliament in fiscal analysis and to central and local governments in strengthening their fiscal management capacities. Continued assistance will also be provided to implement zoning regulations. Further work will be conducted with business associations and the Government to improve the environment for businesses. Principal contractors/grantees: Bearing Point, CI, and TBD(primes).

Improve Private Sector Competitiveness (\$3,181,000 FSA). Support will be provided to expand opportunities for businesses to grow and become more competitive. USAID will continue its work on accounting reform. Principal contractors/grantees: TBD (prime).

Increase Agricultural Sector Productivity (\$1,856,371 FSA). Further assistance will be provided to develop the agribusiness sector and improve land productivity. Principal contractors/grantees: International Fertilizer Development Center and Chemonics International (primes).

Strengthen the Financial Services Sector and Increase Access to Capital (\$1,049,797 FSA). The National Bank will receive further assistance to improve its supervisory capabilities. USAID will also support further expansion of access to finance for micro and small entrepreneurs through banks and/or microfinance institutions. Principal contractors/grantees: Bearing Point and TBD (primes).

Performance and Results: USAID developed implementing regulations for the new WTO-compliant Customs Code that went into force on January 1, 2005. Assistance was provided to draft a new Tax Code, which was finalized and is being considered by a public-private Commission set up by President Bakiev. As a result of USAID assistance to eliminate discretionary steps and streamline procedures to increase transparency and predictability of government requirements, entrepreneurs will save 26,313 work days and \$4 million. In FY 2005, 162 businesses assisted through two Enterprise Development Centers achieved 7% increase in both sales and productivity, with cumulative sales of \$74 million, or 3.3% of Kyrgyzstan's Gross Domestic Product. The number of accounting practitioners who completed the requirements for the Certified Accounting Practitioners certificate fell only slightly, from 194 to 183 in the last year. The USAID-supported European Bank for Reconstruction and Development Micro and Small Enterprise Finance Program's outstanding portfolio grew by 141% to \$22,700,000; active clients increased from 6,667 to 14,092. Almost 10,000 rural residents, mainly farmers, benefited from the legal services of 22 rural legal aid centers run by the USAID-funded non-governmental organization Legal Assistance for Rural Citizens. USAID provided 7,207 legal services through its assistance, helping 10.3% of clients obtain land plots, 8.6% restore their right to land, 7% register businesses, and another 8.6% enter into contracts. USAID continued to promote the independence of the judiciary, and increase transparency and efficiency in court proceedings through the Commercial Law Activity. This activity partnered with the Judicial Training Center to conduct trainings for judges and related professionals, and to administer the Database of Judicial Opinions, which provides the only public access to judicial opinions in Kyrgyzstan. An additional 12,079 judicial opinions were received from the courts for inclusion into this Database during FY 2005. By program's end, reforms of the regulatory and legal environment will foster the sustained growth of small and medium enterprises, which are critical to employment and revenue generation; and entrepreneurs will have access to credit and modern business skills and knowledge.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0131 Small and Medium Enterprises	FSA
Through September 30, 2004	
Obligations	38,411
Expenditures	28,534
Unliquidated	9,877
Fiscal Year 2005	
Obligations	10,300
Expenditures	0
Through September 30, 2005	
Obligations	48,711
Expenditures	28,534
Unliquidated	20,177
Prior Year Unobligated Funds	
Obligations	1,539
Planned Fiscal Year 2006 NOA	
Obligations	8,220
Total Planned Fiscal Year 2006	
Obligations	9,759
Proposed Fiscal Year 2007 NOA	
Obligations	10,656
Future Obligations	9,700
Est. Total Cost	78,826

Data Sheet

USAID Mission:	Kyrgyzstan
Program Title:	Energy and Water
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	116-0161
Status:	Continuing
Planned FY 2006 Obligation:	\$1,390,000 FSA
Prior Year Unobligated:	\$465,000 FSA
Proposed FY 2007 Obligation:	\$1,797,000 FSA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2007

Summary: USAID is helping Kyrgyzstan increase agricultural sector productivity through improved irrigation, assistance to farmers to produce value-added crops, and regional water management.

Inputs, Outputs, Activities:

FY 2006 Program:

Improve Economic Policy and the Business Environment (\$335,000 FSA, \$465,000 FSA carryover). USAID will implement a Regional Energy Market Assistance Program (REMAP) to provide technical assistance for the development of an electricity market in Central Asia. REMAP has the following objectives: 1) establish a transparent, competitive electricity market in Central Asia; 2) increase electricity trade in Central Asia, making development of hydroelectricity resources financially feasible, thereby stimulating economic growth; 3) introduce market-based solutions for current and future regional disputes related to hydroelectricity facilities and reservoirs; and 4) build the capacity of regional electricity regulators to develop the electricity industry in the region, while protecting the interests of consumers. Principal contractor/grantee: to be determined (TBD) (prime).

Increase Agricultural Sector Productivity (\$1,055,000 FSA). Agricultural Finance Plus (AgFin+) aims to stimulate economic growth throughout the farm-to-market value chain. Through training and technical assistance, AgFin+ will assist farmers to overcome constraints they face in delivering products to targeted markets and to capture a return on their investment. 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) and Winrock International (sub).

The growth of rural economies in Central Asia depends on local control of resources and increased citizen participation in decision-making. Local management of irrigation water resources is critical to the agricultural economy of Kyrgyzstan. USAID will continue its assistance to Water User Associations (WUA) to promote and stimulate WUA policy and procedural reforms, develop irrigation system demonstration models, conduct public outreach campaigns, and implement a grants program to assist WUAs. Principal contractors/grantees: Winrock International (prime), Academy for Educational Development (sub), and New Mexico State University (sub).

FY 2007 Program:

Improve Economic Policy and the Business Environment (\$492,350 FSA). USAID will continue to work with Kyrgyz authorities on bilateral and multilateral agreements that support the development of a regional energy market through REMAP. Principal contractor/grantee: TBD (prime).

Increase Agricultural Sector Productivity (\$1,304,650 FSA). USAID will continue to invest in agricultural development by continuing work with targeted groups and markets, and assisting them to identify opportunities and overcome constraints in the farm-to-market value chain. USAID will also continue

assistance to WUAs, including replication of efficient irrigation demonstration models; expanding public outreach to farmers, government, and other donors; and implementation of a competitive small grants program. Principal contractors/grantees: same implementers as above.

Performance and Results: Early in FY 2005, USAID completed the installation of a unified communication network, using meteor-burst technology, which makes possible the rapid distribution of critical, real-time weather and water information among all participating countries in the region. Also, the U.S. National Weather Service River Forecasting System was installed at the Kyrgyz Hydromet Service. As a result, Kyrgyz officials are now operating a system that is fully integrated into a larger Central Asian network that fully meets the World Meteorological Organization standards.

Construction of a small hydropower station located near a small rural village in South Kyrgyzstan was recently completed. This hydropower plant is a USAID pilot project designed to encourage rural communities to consider public-private partnerships to develop a reliable, low-cost and environmentally-friendly source of electricity for schools, hospitals, and businesses.

USAID established six Water User Associations (WUAs) located in Southern Kyrgyzstan, an area with high rates of poverty and at risk for religious extremism. The project includes 4,522 WUA members, 393 of whom are female. The WUAs cover a total of 6,585 hectares of irrigated land and 940 hectares of villages with backyard gardens. These gardens play a vital role in meeting the food needs of poor rural families. The total number of beneficiaries for the project is just over 16,000. All WUAs have held open and fair elections with secret ballots. Water User Association council members meet on a regular basis, usually once a month. A new water code was recently passed by the Government of Kyrgyzstan, due in large part to the efforts of the WUA Support Program consultant, who acted as a parliamentary lobbyist for the new water code.

USAID did a full value chain analysis of tomato production and then provided extension services, inputs, credit to purchase those inputs, and marketing support for growers. A total of 981 farmers on 220 hectares improved tomato yields on average of 10.3 ton/hectare which translates into a total increase of rural incomes by \$363,219, or \$370 per farmer. In addition, value chain cross-cutting services were developed for tomato extension education, credit, input, and marketing.

By program's end, conditions will have been created for increased electricity trade based on transparent, competitive market approaches. Electricity policy and regulatory reforms will have improved the environment for a more transparent and financially viable energy system. Improved irrigation water management through the development of Water User Associations, and assistance to farmers and agribusinesses will have brought added income to the agricultural sector.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0161 Energy and Water	DCA	FSA
Through September 30, 2004		
Obligations	83	5,130
Expenditures	0	3,159
Unliquidated	83	1,971
Fiscal Year 2005		
Obligations	0	1,030
Expenditures	0	1,584
Through September 30, 2005		
Obligations	83	6,160
Expenditures	0	4,743
Unliquidated	83	1,417
Prior Year Unobligated Funds		
Obligations	0	465
Planned Fiscal Year 2006 NOA		
Obligations	0	1,390
Total Planned Fiscal Year 2006		
Obligations	0	1,855
Proposed Fiscal Year 2007 NOA		
Obligations	0	1,797
Future Obligations	0	1,550
Est. Total Cost	83	11,362

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 2006 Obligation:	\$4,200,000 FSA
Prior Year Unobligated:	\$966,000 FSA
Proposed FY 2007 Obligation:	\$5,456,000 FSA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2007

Summary: USAID's democracy programs build stronger and more sustainable civic organizations; increase the availability of information on public policy issues; enhance opportunities for citizen participation in governance; and develop more effective, responsive, and accountable local government.

Inputs, Outputs, Activities:

FY 2006 Program:

Establish and Ensure Media Freedom and Freedom of Information (\$800,000 FSA). USAID will provide technical assistance to the state broadcasting agency to help develop the organization's understanding of how to operate as a public broadcaster, as well as legal support to print and broadcast media to comply with local media regulations. In addition, USAID will provide production grants to local television stations to increase the availability of news and other analytical programming. Principal contractor/grantee: Internews (prime).

Promote Effective and Democratic Governance of the Security Sector (\$700,000 FSA). USAID will provide technical assistance to the Government to develop a strategic reform plan for the police. This plan will serve as the overall framework within which short-term initiatives will be identified to demonstrate to the public that the police are becoming less corrupt and more responsive to citizens' needs. USAID will fund a series of information activities to expand public knowledge of the reform process, and the role of the police in a democracy. Principal contractors/grantees: to be determined (TBD) (prime).

Reduce Trafficking In Persons (\$350,000 FSA, \$235,674 FSA carryover). USAID will provide financial support for information campaigns on trafficking, for the provision of services to trafficking victims through a network of shelters, and for the opening of a shelter to meet the needs of those trafficked for labor. USAID will also provide training to health workers on the treatment of victims, and to non-governmental organizations working on counter-trafficking to increase their financial and institutional sustainability. Principal contractor/grantee: International Organization for Migration (prime).

Strengthen Civil Society (\$1,250,000 FSA, \$245,015 FSA carryover). USAID will provide funding for civic advocacy campaigns at the national level on democracy-related themes, including human rights, with a focus on campaigns that put forward the views of nationally representative or broad-based coalitions of organizations. To build upon prior civil society strengthening programs, USAID will provide technical assistance and training to existing networks or associations of non-governmental organizations (NGOs) to increase their sustainability. In addition, USAID will provide training to the growing number of youth organizations on organizational development, strategic planning, and NGO management. Principal contractors/grantees: Freedom House (prime), National Democratic Institute (prime), and others TBD.

Strengthen Democratic Political Parties (\$485,000 FSA carryover). USAID will provide training and technical assistance to political parties to increase their constituency relations skills and their ability to develop programmatic platforms. USAID will also provide technical advice to the Central Elections Commission and other governmental organizations to improve the legal framework for elections administration and political party operation. Principal contractors/grantees: International Republican Institute (prime) and International Foundation for Electoral Systems (IFES) (prime).

Support Democratic Local Government and Decentralization (\$1,100,000 FSA). USAID will expand its technical assistance and training to local governments to cover a greater number of districts and to provide more in-depth expertise on participatory budgeting, citizen relations, and financial management. Principal contractors/grantees: TBD (prime).

FY 2007 Program:

Establish and Ensure Media Freedom and Freedom of Information (\$1,410,000 FSA). USAID will provide legal advice to independent media and financing for the production of news and informational programming. Principal contractor/grantee: TBD (prime).

Promote Effective and Democratic Governance of the Security Sector (\$575,927 FSA). USAID will provide technical assistance for implementation of the Government of Kyrgyzstan's police reform plan. Principal contractor/grantee: TBD (prime).

Reduce Trafficking In Persons (\$169,933 FSA). USAID will provide financing to local non-governmental organizations for the provision of services to trafficking victims as well as technical assistance to these same organizations to increase their sustainability. Principal contractor/grantee: TBD (prime).

Strengthen Civil Society (\$1,000,140 FSA). USAID will provide financing to NGOs to conduct national advocacy campaigns on democracy issues, with a focus on anti-corruption and human rights. Principal contractor/grantee: TBD (prime).

Strengthen Democratic Political Parties (\$200,000 FSA). USAID will provide training to political parties on organizational issues and institutional development. Principal contractor/grantee: TBD (prime).

Strengthen the Justice Sector (\$1,000,000 FSA). USAID will provide technical assistance to the court system to improve the efficiency with which commercial and anti-corruption cases are handled. Principal contractor/grantee: TBD (prime).

Support Democratic Local Government and Decentralization (\$1,100,000 FSA). USAID will provide technical assistance and training to local governments on the use of participatory budgeting, asset management, and service delivery. Principal contractor/grantee: TBD (prime).

Performance and Results: USAID-supported programs related to three electoral processes in 2005: the parliamentary elections in February 2005, the run-off elections in March 2005, and the presidential elections in July 2005. There was a notable improvement in elections administration by the third electoral process, with the presidential elections in July 2005 considered to be the most free and fair elections to have been conducted in the region. By the end of the year, independent media were able to operate more freely and there was less evidence of self-censorship. By program's end, there will be stronger and more sustainable civil society organizations; increased availability of information on public policy issues; greater opportunities for citizen participation in governance; and more effective, responsive and accountable local governance.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0211 Democratic Culture and Institutions	ESF	FSA
Through September 30, 2004		
Obligations	201	18,961
Expenditures	200	12,251
Unliquidated	1	6,710
Fiscal Year 2005		
Obligations	0	5,400
Expenditures	1	0
Through September 30, 2005		
Obligations	201	24,361
Expenditures	201	12,251
Unliquidated	0	12,110
Prior Year Unobligated Funds		
Obligations	0	966
Planned Fiscal Year 2006 NOA		
Obligations	0	4,200
Total Planned Fiscal Year 2006		
Obligations	0	5,166
Proposed Fiscal Year 2007 NOA		
Obligations	0	5,456
Future Obligations	0	5,800
Est. Total Cost	201	40,783

Data Sheet

USAID Mission:	Kyrgyzstan
Program Title:	Conflict Prevention
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	116-0240
Status:	Continuing
Planned FY 2006 Obligation:	\$690,000 FSA
Prior Year Unobligated:	\$204,000 FSA
Proposed FY 2007 Obligation:	\$899,000 FSA
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2007

Summary: USAID programs reduce the potential for conflict by targeting communities at risk for violent conflict due to political, social, or economic differences. Programs work through community-based organizations, local government, business, and community leaders to identify sources of local tension and then develop positive ways to address them through job creation, youth apprenticeships, physical infrastructure projects, information dissemination, and activities aimed at strengthening social capital. The approach focuses on both the root and immediate causes of conflict, while aiming to establish participatory, democratic, resource-based decision-making.

Inputs, Outputs, Activities:

FY 2006 Program:

Mitigate Conflict and Support Peace (\$690,000 FSA, \$204,403 FSA carryover). Through the Peaceful Communities Initiative, USAID is focusing on building stronger relationships between citizens and local government in order to mitigate against conflict by more effective allocation of budgetary, natural and physical infrastructure resources. A second aspect of the program is focusing on social activities such as youth summer camps or tolerance training to bridge differences between ethnic communities living in close proximity. The first full year of the new Collaborative Development Initiative is focusing on local economic development to increase employment, promote youth leadership, and increase access to information through collaborative partnerships between citizens, local government, community leaders and businesspeople. Principal contractors/grantees: Mercy Corps (prime), Internews (sub), and Urban Institute (sub).

FY 2007 Program:

Mitigate Conflict and Support Peace (\$899,000 FSA). The final year of the Collaborative Development Initiative will focus on hand-over mechanisms to ensure communities can continue efforts for local economic development on their own as a way to increase employment, promote youth leadership, and expand access to information. Principal contractors/grantees: Mercy Corps (prime), Internews (sub), and Urban Institute (sub).

Performance and Results: Kyrgyzstan had a turbulent year in 2005, with large-scale protests of the February Parliamentary elections, citizen occupation of local government buildings in several key cities, clashes with security forces, and looting of prominent businesses and markets in the capital. Nevertheless, 68% of communities assisted by USAID programs cite increased satisfaction with the delivery of services by their local government. Under the Community Action Investment Program (CAIP), which ended this year, an average 37% of total project costs were covered by the community through in-kind contributions or cash payments, local government contributions, or private business philanthropy, and 44 projects valued at approximately \$202,000 were implemented without USAID financial support. Over 290 infrastructure and social projects have been carried out, directly benefiting 539,000 people and resulting in over 1,630 short-term and 6,436 long-term jobs since the program's inception. 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, 2004	
Obligations	597
Expenditures	44
Unliquidated	553
Fiscal Year 2005	
Obligations	1,210
Expenditures	0
Through September 30, 2005	
Obligations	1,807
Expenditures	44
Unliquidated	1,763
Prior Year Unobligated Funds	
Obligations	204
Planned Fiscal Year 2006 NOA	
Obligations	690
Total Planned Fiscal Year 2006	
Obligations	894
Proposed Fiscal Year 2007 NOA	
Obligations	899
Future Obligations	1,210
Est. Total Cost	4,810

Data Sheet

USAID Mission:	Kyrgyzstan
Program Title:	Health and Population
Pillar:	Global Health
Strategic Objective:	116-0320
Status:	Continuing
Planned FY 2006 Obligation:	\$3,465,000 FSA
Prior Year Unobligated:	\$46,000 FSA
Proposed FY 2007 Obligation:	\$4,493,000 FSA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2007

Summary: USAID's Primary Health Care (PHC) objective is to help the Kyrgyz Republic institutionalize health system reforms to ensure utilization of quality, client-oriented, cost-effective primary health care services. The Kyrgyz Republic has committed to a process for reforming its health care system, building upon past success and involving intense coordination and collaboration with donors. USAID provides essential technical assistance and support to the country's efforts to control infectious diseases like HIV/AIDS and tuberculosis (TB), and the related scourge of increasing drug use.

Inputs, Outputs, Activities:

FY 2006 Program:

Address Other Health Vulnerabilities (\$1,683,000 FSA, \$41,123 FSA carryover). USAID's health reform program, ZdravPlus II, will continue to support the Kyrgyz Government to increase utilization and quality of primary health care (PHC) services through the implementation of the Manas Taalimi National Health Reform Program. ZdravPlus II will work to improve continuing medical education for doctors, nurses, and feldshers (paramedics). USAID will expand its program to train midwives to provide family planning services to additional districts where there are insufficient gynecologists to reach PHC facilities at least once a week. USAID's maternal and child health program, Healthy Family, will train health providers on antenatal care, newborn care, and integrated management of childhood illnesses. Healthy Family will also develop and roll out national guidelines on infection prevention. Health center supervisors will receive training to upgrade their management and technical skills. USAID will continue to support the implementation of the World Health Organization-recommended live birth definition at the national level. Principal contractors/grantees: Abt Associates (prime), Morehouse University School of Medicine (sub), John Snow Inc. (sub), Boston University (sub), Citihope (sub), Socium Consult (sub), Scientific Technology and Language Institute (sub), Institute for Sustainable Communities (sub), U.S. Centers for Disease Control and Prevention (CDC) (prime), and Project Hope (prime).

Prevent and Control Infectious Diseases of Major Importance (\$683,000 FSA). USAID's TB Control Program will continue to support the implementation of the Directly Observed Treatment, Short Course (DOTS) strategy, and will improve surveillance systems, laboratory quality, and rational drug management. The program will strengthen national commitment and build political support for effective TB control, build human and systems capacity, and raise community awareness. The Centers for Disease Control and Prevention (CDC) will expand its surveillance activities on TB and conduct TB laboratory quality assurance training. CDC will continue to train Kyrgyz professionals through the Applied Epidemiology Training Program (AETP). Principal contractors/grantees: Project HOPE (prime), Johns Hopkins University Bloomberg School of Public Health (sub), John Snow Inc. (sub), New Jersey Medical School National TB Center (sub), and CDC (prime).

Reduce Transmission and Impact of HIV/AIDS (\$1,099,000 FSA, \$4,841 FSA carryover). Through the Central Asian Program on AIDS Control and Intervention Targeting Youth and High-Risk Groups (CAPACITY), USAID will continue its assistance to the Kyrgyz Government in implementing two grants from the Global Fund to Fight AIDS, TB, and Malaria. The project will also increase the capacity of local non-governmental organizations (NGOs) to reach vulnerable groups and will work with other donors to leverage additional resources. Training will be provided to health professionals to improve their skills in

counseling, testing, and antiretroviral treatment. CAPACITY will work to improve resource use through integration of HIV/AIDS services into the overall health system. CDC will continue training Kyrgyz officials to use data from HIV sentinel surveillance, and will continue developing blood screening systems. USAID's Drug Demand Reduction Program (DDRP) will expand peer outreach work in the Fergana Valley, including Osh and Jalalabad. The DDRP Youth Power and Street Choices programs will focus on increased coverage of at-risk youth living along major drug routes in the region. The program will support NGOs working with prisoners and those working on treatment readiness and rehabilitation. The national HIV/AIDS program will employ DDRP's Unique Identifier System for client tracking. Principal contractors/grantees: John Snow Inc. (prime), Population Services International (sub), Abt Associates (sub), International HIV/AIDS Alliance (sub), Howard University (sub), Alliance for Open Society International (prime), Open Society International-Kyrgyzstan (sub), Accord (sub), AIDS Foundation East-West (sub), Internews- Kyrgyzstan (sub), and CDC (prime).

FY 2007 Program:

Address Other Health Vulnerabilities (\$2,987,000 FSA). ZdravPlus II will continue to operationalize the Manas Taalimi National Health Reform Program, incorporate the Sanitary and Epidemiological Services system into these reforms, and ensure that vertical, disease-specific programs are integrated fully within the primary health care system. The program to increase access to family planning services by training midwives will continue to be rolled out. Healthy Family will continue to improve the quality of maternal, child, and reproductive health care services in pilot areas. USAID will continue to support implementation of the World Health Organization-recommended live birth definition at the national level. Principal contractors/grantees: Same implementers as above; additional contractors/grantees TBD.

Prevent and Control Infectious Diseases of Major Importance (\$767,000 FSA). CDC will continue the AETP to support the Ministry of Health with identification, investigation, documentation, and dissemination of information about outbreaks of infectious diseases through a trained cadre of public health epidemiologists, and will continue work to build capacity for TB surveillance. The TB Control Program will continue to work towards building an effective national response to TB. Principal contractors/grantees: same implementers as above; additional contractors/grantees to be determined (TBD).

Reduce Transmission and Impact of HIV/AIDS (\$739,000 FSA). USAID's CAPACITY project will continue activities to strengthen implementation of the national strategy to prevent and control HIV/AIDS. CDC will continue to improve capacity for HIV surveillance and blood screening. In 2007, DDRP will transfer its best practice models for work with vulnerable youth and other target groups to local government and private counterparts. Principal contractors/grantees: same implementers as above; additional contractors/grantees TBD.

Performance and Results: Despite the country's political turbulence in 2005, USAID was able to achieve important results in the health sector. USAID provided technical input and implementation support to the Ministry of Health to develop its new Manas Taalimi National Health Reform Program, a comprehensive five-year effort that builds on the Kyrgyz Republic's past 10 years of health reform. Through this plan, the Government is committed to a national roll-out of health reforms first piloted by USAID. The strategy will be jointly-funded by the Kyrgyz budget and a Sector-Wide Approach that pools donor resources to directly supplement the health budget and parallel project funding from USAID. USAID exceeded its target for the percentage of outpatient visits occurring in PHC clinics. A study conducted this year found that the share of health expenditures allocated to direct patient care expenses increased from 16% in 2001 to 36% in 2003 as a result of USAID's reform efforts. Quality improvement activities over the past year focused on hypertension, a leading cause of morbidity and mortality in the Kyrgyz Republic, and resulted in active screening of 22% of the population. USAID successfully completed the Kyrgyz national behavioral surveillance system for HIV in FY 2005. USAID's TB Control Program exceeded set targets for TB treatment success in the Kyrgyz Republic for this reporting period, contributing to a 7.8% decrease in TB incidence and a 5% drop in TB mortality. By program's end, these activities will help Kyrgyzstan to reform its health system in order to ensure utilization of quality, cost-effective primary health care services, and to control existing HIV/AIDS and TB epidemics.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0320 Health and Population	FSA
Through September 30, 2004	
Obligations	25,063
Expenditures	19,534
Unliquidated	5,529
Fiscal Year 2005	
Obligations	3,900
Expenditures	0
Through September 30, 2005	
Obligations	28,963
Expenditures	19,534
Unliquidated	9,429
Prior Year Unobligated Funds	
Obligations	46
Planned Fiscal Year 2006 NOA	
Obligations	3,465
Total Planned Fiscal Year 2006	
Obligations	3,511
Proposed Fiscal Year 2007 NOA	
Obligations	4,493
Future Obligations	4,150
Est. Total Cost	41,117

Data Sheet

USAID Mission:	Kyrgyzstan
Program Title:	Strengthened Basic Education Sector
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	116-0340
Status:	Continuing
Planned FY 2006 Obligation:	\$120,000 FSA
Prior Year Unobligated:	\$51,000 FSA
Proposed FY 2007 Obligation:	\$154,000 FSA
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2007

Summary: USAID's Basic Education Program is aimed at broadening access to quality education, by focusing on in-service teacher training, management capacity, efficiency in finance, and parent and community participation. USAID also supports the National Scholarship Test, which provides equal opportunity for secondary school graduates in Kyrgyzstan to enter universities based on merit.

Inputs, Outputs, Activities:

FY 2006 Program:

Achieve Equitable Access to Quality Basic Education (\$120,000 FSA, \$51,133 FSA carryover). Funding in FY 2006 will be used primarily for program management needs. In FY 2006, training and resource development at pilot schools and teacher training institutes will continue. USAID will identify an additional four Professional Development Schools (PDS) in the south of Kyrgyzstan where access to in-service teacher training is most limited. Linking these PDSs to 20 additional surrounding cluster schools will further expand methodology training for teachers of primary and secondary grades. We expect that more than 80,000 students will benefit from project activities and 2,300 new teachers will receive training. In-service teacher training institutes will begin to issue joint certificates with the USAID-supported PDSs. The new mechanism for financing in-service teacher training introduced in 2005, based on a pre-paid voucher, will be fully adopted in the Issyk-kul Region. Under the new scheme, each teacher will receive a pre-paid voucher, which can then be used to pay for methodology training offered by a variety of training providers, both private and state-owned. To address the broader problems in education finance, a new finance mechanism based on a per capita formula will also be piloted in Tokmok in FY 2006, introducing incentives for greater efficiency in the provision of educational services. Training for school administrators and local education authorities in school management will continue at the pilot schools. Principal contractors/grantees: Academy for Educational Development (prime), Open Society Institute (sub), and Abt Associates (sub).

USAID will provide funding for the National Scholarship test, to further strengthen the local non-governmental organization (NGO) Center for Educational Assessment and Teaching Methods (CEATM) in its capacity to develop and administer the nationwide scholarship exam. Funds will also be used to partially offset the cost of the 2007 test to prevent an increase in test fees. Principal contractor/grantee: CEATM (prime).

Following the recommendations of the independent mid-term program evaluation, which took place in FY 2005, USAID will fund in-depth assessments to explore potential program directions for a follow-on activity, on issues such as pre-service teacher training and education finance. Principal contractors/grantees: to be determined (TBD) (prime).

FY 2007 Program:

Achieve Equitable Access to Quality Basic Education (\$154,000 FSA). USAID will explore opportunities to use the capacity built during the first four years of this objective, and focus on institutionalizing the reform process. Program directions may include integrating modern teaching methodologies in pre-service teacher training institutes and linking the institutes with the Professional Development Schools, and continued reform of education finance. Principal contractor/grantee: TBD

Performance and Results: Results in 2005 met or exceeded our expectations in all program areas. The 11 Professional Development Schools were officially recognized by the Government as Centers for Innovative Teaching Methodologies; in 2005, they served a total of 84 cluster schools. USAID trained 1,921 teachers in modern interactive pedagogy, and 241 education administrators in the principles of effective school management. Many of these educators were trained through the new mechanism introduced in Issyk-kul Region, which gives a teacher the right to choose the appropriate training and, as a result, stimulates competition among state and NGO teacher training providers. With 94 schools involved in the program, USAID estimates that a total of 75,691 children benefited from teacher and administrator training in target schools as of September 2005. Forty-three community groups have been created to support quality improvement in education and to address access issues at the local level. Twenty-one of these groups formed on their own initiative, as soon as they learned about the benefits of community involvement in the USAID target areas. School renovations were completed successfully by 16 community groups, with the community cost share ranging from 20% to 50% of the total project value, far surpassing USAID expectations. Nationwide university entrance testing was administered successfully by the USAID-supported local NGO to over 33,000 applicants. The NGO has gained recognition from the Government as having prime expertise in test development and administration.

By program's end, teacher training and capacity building will raise the quality of teaching, as modern methodologies become embedded in the country's teacher education cycles. Children will study in better physical environments, and better financing mechanisms will increase the efficiency with which schools are able to provide educational services. USAID activities in basic education complement Asian Development Bank and World Bank efforts by providing long-term technical assistance in the development of pilot school-based in-service teacher training centers, policy development, and policy implementation. USAID work in education finance is closely coordinated with World Bank work on central Government budgeting for the social sector. USAID also anticipates that Kyrgyz speaking teacher trainers located in World Bank pilot areas will be utilized for teacher training planned with World Bank funding, creating greater sustainability for the USAID school-based training centers. The testing NGO created and supported by USAID will become fully sustainable, and continue to administer merit-based testing for university entrance, as well as complement other donor initiatives in student assessment.

US Financing in Thousands of Dollars

Kyrgyzstan

116-0340 Strengthened Basic Education Sector	FSA
Through September 30, 2004	
Obligations	25,063
Expenditures	19,534
Unliquidated	5,529
Fiscal Year 2005	
Obligations	3,900
Expenditures	0
Through September 30, 2005	
Obligations	28,963
Expenditures	19,534
Unliquidated	9,429
Prior Year Unobligated Funds	
Obligations	51
Planned Fiscal Year 2006 NOA	
Obligations	120
Total Planned Fiscal Year 2006	
Obligations	171
Proposed Fiscal Year 2007 NOA	
Obligations	154
Future Obligations	4,150
Est. Total Cost	33,438

Data Sheet

USAID Mission:	Kyrgyzstan
Program Title:	Cross-Cutting Programs
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	116-0420
Status:	Continuing
Planned FY 2006 Obligation:	\$1,545,000 FSA
Prior Year Unobligated:	\$547,000 FSA
Proposed FY 2007 Obligation:	\$1,990,000 FSA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2007

Summary: The cross-cutting programs support all of USAID's strategic objectives, and include four main components: training to support USAID's technical assistance programs; grant-making assistance provided by the Eurasia Foundation to indigenous non-governmental organizations (NGOs); exchanges under the Community Connections Program to enhance public diplomacy; and program development support for cross-cutting evaluations, technical assistance, management needs, public outreach, and incorporation of perspectives from religious leaders into programming.

Inputs, Outputs, Activities:

FY 2006 Program:

Program Support (\$1,545,000 FSA, \$458,557 FSA carryover, \$88,272 FSA prior year recoveries).

Participant Training Program: USAID will continue participant training to complement ongoing technical assistance in the following areas: improved environment for growth of small and medium enterprises, enhanced trade through cross-border opportunities, strengthened democratic culture, improved management of critical natural resources, increased utilization of quality primary health care, sources of conflict mitigated in target communities, and quality of education improved. Of particular note, the participant training program will continue to capitalize on opportunities in Kyrgyzstan that arise as a result of the political events that transpired during FY 2005. In spring 2006, a conference will be organized with training resources to bring together religious leaders from across the region to discuss religious extremism. More than 2,000 participants will be trained through participant training activities in Kyrgyzstan during FY 2006. Principal contractor/grantee: Academy for Educational Development (prime).

Community Connections: In FY 2006, USAID will begin implementation of the Community Connections Program, a public diplomacy initiative previously funded by the State Department. Through the program, approximately 50 Kyrgyz citizens per year will participate in exchanges to promote mutual understanding between the United States and Kyrgyzstan through exposure to U.S. society and personal connections with Americans. The Community Connections Program will help achieve U.S. Government priorities in Kyrgyzstan by targeting individual entrepreneurs and professional groups that are central to economic and democratic reform. Exchange programs will last from 3-5 weeks and will be tailored to the individual needs of participants. Principal contractors/grantees: World Learning (prime) and American Councils for International Education (sub).

Eurasia Foundation: The Eurasia Foundation will target approximately 20 NGOs that contribute to private sector development and civil society strengthening through small grants. The NGOs will also benefit from institutional strengthening through intensive planning, reporting, and financial management training. In particular, in FY 2006, Eurasia Foundation will expand its Ferghana Valley Initiative through its newly-established local office by providing targeted grants to increase dialogue and cross-border linkages in this conflict-prone region. Additionally, grants will focus on strengthening independent media, improving local universities, and expanding eco-tourism opportunities. Principal contractor/grantee: Eurasia Foundation (prime).

Program Support: A wide range of program support will continue to be funded, including evaluations, technical assistance, management needs, public outreach, and staff costs. As required, funding will enable USAID to take advantage of unanticipated opportunities to advance or reinforce USAID strategic objectives. Furthermore, USAID will expand outreach efforts to engage traditional religious leaders in the region. The goal of this initiative is to better inform religious leaders about USAID programs and to bridge the gap with traditional community leaders whose views, in the past, have not generally been incorporated into USAID programmatic decision making. In accomplishing this goal, USAID will conduct tours of its programs for religious leaders and the media, hold regular representational events with religious leaders, and work with technical assistance providers to incorporate religious leaders into development activities. Principal contractor/grantee: N/A.

FY 2007 Program:

Program Support (\$1,990,000 FSA).

Community Connections: USAID will continue the Community Connections Program, providing both professionals and businessmen with the opportunity to learn about U.S. society while enhancing their knowledge in areas of expertise. Approximately 50 Kyrgyz citizens will participate in the program during FY 2007. Principal contractors/grantees: World Learning (prime) and American Councils for International Education (sub).

Eurasia Foundation: The Eurasia Foundation will continue to provide grants and institutional strengthening on an open-door basis to approximately 20 NGOs in Kyrgyzstan that work in the sectors of private enterprise development, civil society strengthening, and public administration. Principal contractor/grantee: Eurasia Foundation (prime).

Program Support: A wide range of program and personnel support activities will continue. As required, funding will enable USAID to support unanticipated opportunities to advance or reinforce USAID objectives. Additionally, religious outreach efforts will continue and be expanded, through tours for and representational events with religious leaders. Principal contractor/grantee: N/A.

Performance and Results: In FY 2005, USAID trained over 5,800 Kyrgyz citizens (approximately 45% women) through the Participant Training Program. Program emphasis was placed on strengthening civil society through training programs aimed at NGOs, press entities, and institutions that deal with trade and investment, microfinance, and business education. In Kyrgyzstan, the Participant Training Program proved to be a pivotal mechanism for USAID in addressing urgent and unforeseen needs brought on by tumultuous parliamentary elections and political events following the overthrow of the government on March 24. In particular, training and non-training interventions supported exit polling, voter education, election monitoring, and constitutional reform. Training programs in the economic sector focused on trade and investment, bank and fiscal reform, microfinance institutions, local governance, and business education. In the health sector, trainings continued efforts to introduce evidence-based medicine and improve the quality of health care. Other training programs strengthened the country's National Hydromet Center's operational capacities and addressed critical energy issues.

Eurasia Foundation provided technical assistance valued at approximately \$1,470,000 to approximately 40 local institutions in Kyrgyzstan in FY 2005. During the fiscal year, the Eurasia Foundation succeeded in augmenting USAID funding by raising and leveraging more than \$250,000 from more than 12 non-U.S. Government donors. The Eurasia Foundation also moved closer to establishing the Eurasia Foundation of Central Asia, an independent, local foundation that will be launched in February 2006, as a means of continuing Eurasia Foundation activities in Kyrgyzstan after core USAID funding ends.

US Financing in Thousands of Dollars

Kyrgyzstan

	ESF	FSA
116-0420 Cross-Cutting Programs		
Through September 30, 2004		
Obligations	120	42,660
Expenditures	120	25,785
Unliquidated	0	16,875
Fiscal Year 2005		
Obligations	0	1,540
Expenditures	0	0
Through September 30, 2005		
Obligations	120	44,200
Expenditures	120	25,785
Unliquidated	0	18,415
Prior Year Unobligated Funds		
Obligations	0	547
Planned Fiscal Year 2006 NOA		
Obligations	0	1,545
Total Planned Fiscal Year 2006		
Obligations	0	2,092
Proposed Fiscal Year 2007 NOA		
Obligations	0	1,990
Future Obligations	0	2,850
Est. Total Cost	120	51,132