

## Data Sheet

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

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