Data Sheet

USAID Mission: Taiikistan **Program Title:**

Energy and Water

Economic Growth, Agriculture and Trade Pillar:

119-0161

Strategic Objective: Status: Continuing

Planned FY 2006 Obligation: \$1,340,000 FSA **Prior Year Unobligated:** \$319,000 FSA Proposed FY 2007 Obligation: \$1,242,000 FSA

Year of Initial Obligation: 2001 **Estimated Year of Final Obligation:** 2007

Summary: USAID is helping Tajikistan 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 (\$300,000 FSA carryover). 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 (\$1,340,000 FSA, \$19,200 FSA carryover). 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 in overcoming constraints they face in delivering products to targeted markets and in capturing 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 Tajikistan. USAID will continue its assistance to Water User Associations (WUA) in Tajikistan 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 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 (\$300,000 FSA). USAID will continue to work with Tajik 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 (\$942,000 FSA). USAID will continue to invest in agricultural development through AgFin+ 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 Water User Associations, 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 contractor/grantee: same implementers as above.

Performance and Results: USAID completed its assistance program to the Tajikistan Hydromet Service, resulting in an improvement in the collection, analysis, and exchange of data critical to improved water resource management. The hydromet service now has the weather forecasting capacity to better predict the amount of water that will be available for irrigation needs. Such information, when used correctly, can help public entities plan water distribution schedules and enable the operators of hydropower stations to release the optimum amount of water, reserving the rest for generating electricity. This program has been a significant USAID success story, and has brought the hydromet service in line with the standards of the World Meteorological Organization.

In its first year, the Water User Association (WUA) Support Program has established 15 WUAs in Tajikistan. The project includes 391 WUA members, 19 of whom are female. The WUAs cover a total of 5,106 hectares of irrigated land and 1,993 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 85,000. All WUAs have formed Boards of Directors, which meet on a regular basis. A schedule of council meetings is posted on WUA bulletin boards and all members are welcome to attend. The AgFin+ Project implemented two separate activities: a dairy value chain development project called Cheese+, and an initiative to support cotton farmers to diversify their crops called Diversification+. USAID succeeded this first season in providing 50 small dairy farmers with credit to purchase additional cows.

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

Tajikistan

- Tujikiotan
FSA
9,783
7,982
1,801
1,470
0
11,253
7,982
3,271
319
1,340
1,659
1,242
1,380
15,534