

Data Sheet

USAID Mission:	Eurasia Regional
Program Title:	Better Environmental Management
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	110-0160
Status:	Program Support Objective
Planned FY 2006 Obligation:	\$650,000 FSA
Prior Year Unobligated:	\$579,000 FSA
Proposed FY 2007 Obligation:	\$690,000 FSA
Year of Initial Obligation:	1993
Estimated Year of Final Obligation:	2012

Summary: The failure to price water and public services under socialist governments damaged both the infrastructure and the environment in former communist nations in Eurasia. The transition to free markets provides unique opportunities to end subsidies which waste power, water, and raw materials. This program provides strategic leadership to USAID Missions to improve the quality of service and the financial health of public utilities.

Inputs, Outputs, Activities:

FY 2006 Program:

Expand and Improve Access to Economic and Social Infrastructure (\$480,000 FSA, \$235,058 FSA carryover, \$343,942 FSA prior year recoveries). Infrastructure Reform and Finance (IRF) Project: Clean water, reliable power, and transportation that enables goods to flow freely are essential to growing economies. Mobilizing capital for public infrastructure across the former socialist nations of Eurasia is one of the greatest challenges facing the region, a challenge which requires fundamental reform to achieve financial health. During its third year the IRF Project will hold workshops and provide direct assistance to Missions and local counterparts meant to spread emerging techniques for improving public water utilities management, corporate structure, operational efficiency, private sector partnerships and access to capital. This component will also focus on designing strategic interventions for USAID Missions which leverage the Agency's unique capabilities and the larger capital capacities of international investors, multilateral development banks, and the citizens of the affected countries. Contractor: Segura/IP3 Partners (prime).

Reduce, Prevent and Mitigate Pollution (\$170,000 FSA). Environmental impact compliance: Each USAID activity must go through a legislatively mandated environmental impact review prior to obligation. The Europe and Eurasia Bureau processes over 150 impact reviews annually. This funding provides technical support to ensure that potentially significant adverse environmental impacts are identified prior to project start-up and mitigated to acceptable levels. Contractor to be determined.

FY 2007 Program:

Expand and Improve Access to Economic and Social Infrastructure (\$500,000 FSA). Infrastructure Reform and Finance Project: This strategic support contract will focus on transferring new approaches to infrastructure management and finance to USAID Missions and their counterparts, conducting country reviews to support the design of new Mission strategies, and providing advice and evaluation for ongoing Mission infrastructure programs. Contractor: Segura/IP3 Partners (prime).

Reduce, Prevent and Mitigate Pollution (\$190,000 FSA). This funding will continue to provide technical support, helping to ensure that potentially significant adverse environmental impacts are identified prior to project start-up and mitigated to acceptable levels. Contractor to be determined.

Performance and Results: During FY 2005 the Infrastructure Reform and Finance (IRF) Project conducted a workshop to promote the private sector-oriented approach to finance water and sanitation facilities. Representatives of three of the U.S. State Revolving Funds (Maine, Texas and New York) along with other experts worked with country teams from Armenia, Georgia, Russia, and Ukraine (and

three Eastern European nations) to design either revolving funds or pooled financing institutions, similar to those used in the United States, tailored to the needs of each of their countries. The country teams, which included representatives of central governments and local public utilities as well as pension funds and insurance companies, have each worked to establish these sources of finance after returning to their countries. The most successful of the former Soviet states have been Russia and Ukraine, with Russia having already secured capital to initiate funds and Ukraine having recently garnered senior governmental support. The IRF Project is also working closely with the Georgia USAID Mission on design of a national water strategy to mobilize donor support and with the Azerbaijan USAID Mission on issues related to that country's plans to invest heavily in infrastructure using oil revenues.

The Europe and Eurasia Bureau processes over 150 impact reviews annually. While no programs were significantly delayed or cancelled due to environmental compliance requirements, many were brought into compliance by careful design of mitigation measures to ensure minimal environmental damage while still meeting USAID development objectives.

US Financing in Thousands of Dollars

Eurasia Regional

110-0160 Better Environmental Management	ESF	FSA
Through September 30, 2004		
Obligations	3	18,950
Expenditures	3	17,364
Unliquidated	0	1,586
Fiscal Year 2005		
Obligations	0	720
Expenditures	0	0
Through September 30, 2005		
Obligations	3	19,670
Expenditures	3	17,364
Unliquidated	0	2,306
Prior Year Unobligated Funds		
Obligations	0	579
Planned Fiscal Year 2006 NOA		
Obligations	0	650
Total Planned Fiscal Year 2006		
Obligations	0	1,229
Proposed Fiscal Year 2007 NOA		
Obligations	0	690
Future Obligations	0	0
Est. Total Cost	3	21,589