

The Challenge

USAID's program aims to assist the Government of Azerbaijan (GOAZ) to develop the non-oil sector and have a smooth transition to democratic rule. Currently, the greatest challenge is maintaining macro economic stability in the face of a surge of oil revenues. The key impediments are pervasive corruption, lack of capacity in the public sector, lack of market economy structures in government in order for the GOAZ to manage state revenues and develop the non-oil sector, and lack of an active citizenship culture. USAID is developing an anti-corruption component for each activity. Building capacity is supported through technical assistance and exchanges; automating systems to combat corruption and make efficient processes (i.e., creating a treasury system); assistance on capital budgeting; reforming policy and procedures on health sector financing; and working with the GOAZ Anti-Corruption Commission among other activities.

Objectives, Sectors and Workforce

MCA Status: Currently Not Eligible

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Received

Mission Director: Denny Robertson

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
112-0130 Development of Small and Medium Enterprises	10,807	11,000	13,670	11,088	2.6%	1.29	Exceeded
112-0210 Civil Society	5,900	9,350	7,600	6,154	4.3%	1.36	Exceeded
112-0310 Humanitarian Assistance	8,790	4,964	0	0	N/A	1.50	Exceeded
112-0320 Health	0	73	3,780	3,053	N/A	N/A	-0.00
112-0420 Cross-Cutting Programs	5,927	6,868	3,050	2,450	-58.7%		0.04
Transfer to Other US Government Agency	7,335	6,000	6,550	5,255	-28.4%		
PL 480 Title II not Allocated to a Strategic Objective	2,883	1,545	1,939		N/A		
Country Total	41,642	39,800	36,589	28,000	-32.8%		

Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Child Survival and Health Programs Fund	0	500	0	0	N/A
FREEDOM Support Act	38,759	37,755	34,650	28,000	-27.8%
PL 480 Title II	2,883	1,545	1,939	0	N/A
Total	41,642	39,800	36,589	28,000	-32.8%

Program Budget by Sector and Account

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Agriculture and Environment FSA	4,599	5,832	3,814	4,589	-0.2%
Economic Growth FSA	12,518	10,530	13,631	9,496	-24.1%
Democracy and Governance FSA	11,593	15,876	12,499	10,059	-13.2%
Conflict Management / Humanitarian Assistance FSA	4,384	827	926	803	-81.7%
Family Planning / Reproductive Health CSH	0	500	0	0	N/A
FSA	2,095	1,602	1,159	1,350	-35.6%
HIV / AIDS FSA	0	0	17	0	N/A
Child Survival and Maternal Health FSA	2,771	3,088	2,552	1,703	-38.5%
Vulnerable Children FSA	799	0	0	0	N/A
Other Infectious Diseases FSA	0	0	52	0	N/A
PL 480 Title II not Allocated to a Sector	2,883	1,545	1,939		N/A
Total	41,642	39,800	36,589	28,000	-32.8%

Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	3	1	2	2	-33.3%
US Non Direct Hires	6	5	6	5	-16.7%
Foreign Nationals	10	19	25	24	140.0%
Total	19	25	33	31	63.2%

Operating Expense

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	0	0	237	237	N/A
Travel	0	0	71	71	N/A
Transportation of things	0	0	38	7	N/A
Rent	0	0	182	182	N/A
Security	0	0	3	3	N/A
Equipment	0	0	0	26	N/A
ICASS - Operating Expense only	0	0	245	250	N/A

Other Operating Expense	0	0	79	79	N/A
Total OE Budget	0	0	855	855	N/A
US direct hire salary and benefits	567	405	279	309	-45.5%
Program Funded Administrative Expenses				2,255	
Country Total Administrative Budget				3,419	
Percent of Bureau OE Total				2.2%	

Mission Summary

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	13,881	39,800	18,295	14,000
Program per All US (\$000)	4,627	6,633	4,574	4,000
Program per Position (\$000)	2,192	1,592	1,109	903
Operating Expense as % of Program Funding				3.1%
Program Funded Admin Expense as % of Total Admin				66.0%
Total Admin Expense as % of Program Funding				12.2%

Other Major Donors:

Bilateral: Germany, United Kingdom

Multilateral: World Bank, International Monetary Fund, United Nations Development Program, United Nations Children's Fund, World Health Organization, United Nations High Commissioner for Refugees, European Bank for Reconstruction and Development, European Union, Asian Development Bank, Council of Europe, Organization for Security and Cooperation in Europe

Azerbaijan PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2004 Actual	FY 2005 Actual	FY 2006 Current	FY 2007 Request
Child Survival and Health Programs Fund	0	500	0	0
FREEDOM Support Act	38,759	37,755	34,650	28,000
PL 480 Title II	2,883	1,545	1,939	0
Total Program Funds	41,642	39,800	36,589	28,000

STRATEGIC OBJECTIVE SUMMARY				
112-0130 Development of Small and Medium Enterprises				
FSA	10,807	11,000	13,670	11,088
112-0210 Civil Society				
FSA	5,900	9,350	7,600	6,154
112-0310 Humanitarian Assistance				
CSH	0	500	0	0
FSA	8,790	4,464	0	0
112-0320 Health				
FSA	0	73	3,780	3,053
112-0420 Cross-Cutting Programs				
FSA	5,927	6,868	3,050	2,450
TRANSFER				
FSA	7,335	6,000	6,550	5,255

Mission Director,
Denny Robertson

Data Sheet

USAID Mission:	Azerbaijan
Program Title:	Development of Small and Medium Enterprises
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	112-0130
Status:	Continuing
Planned FY 2006 Obligation:	\$13,670,000 FSA
Prior Year Unobligated:	\$1,481,000 FSA
Proposed FY 2007 Obligation:	\$11,088,000 FSA
Year of Initial Obligation:	2000
Estimated Year of Final Obligation:	2010

Summary: USAID assists the Government of Azerbaijan (GOAZ) to improve the efficiency and transparency of its fiscal management and the environment for business through an economic reform program focused on strengthening the financial sector and its regulatory environment; improving government fiscal and financial management and planning; promoting reform in the energy sector; and improving the environment for commerce, investment, and trade. Growth and development of competitive private enterprises, particularly in rural areas, can only be achieved if Azerbaijan's rapidly increasing oil and gas revenues do not result in a substantial appreciation of the local currency and the corresponding loss of competitiveness of local products. The strategic objective will be achieved by helping the government and the financial sector develop the institutional capacity to manage the petrodollars that will flow through the economy from public expenditures, state owned enterprises, donor loans, and financial intermediaries. This must be done in a way that preserves macro-economic stability and channels these funds towards social and infrastructure investments that will position Azerbaijan for long term prosperity. USAID will continue to focus on the competitiveness of agricultural producers and processors.

Inputs, Outputs, Activities:

FY 2006 Program:

Improve Economic Policy and the Business Environment (\$5,670,000 FSA, \$630,000 FSA carryover). Policy-related assistance will help policymakers preserve macroeconomic stability, efficiently provide for the needs of the people of Azerbaijan, and make needed social and infrastructure investments. Initiatives will include: establishment and development of the capacity of an independent regulatory agency for public utilities; installing computerized financial management systems in the state owned gas company and some power generators; implementing a heating and energy conservation strategy; and increasing capacity of the GOAZ for more efficient and accountable fiscal planning and management, particularly in its public investment program. USAID will also begin a set of initiatives to improve the environment for commerce, investment and trade. Principal contractors and grantees: PA Government Services (prime), CARANA (prime), and to be determined (TBD).

Increase Agricultural Sector Productivity (\$3,200,000 FSA, \$500,000 FSA carryover). In an effort to improve private sector competitiveness, USAID will provide technical assistance to producers and processors of agricultural goods in Azerbaijan's economic corridors as part of the value-added market chain. The assistance will cover the country's four main agricultural production areas in the Guba economic corridor in the north-east with seven districts; the Lenkoran economic corridor in the south with 12 districts; the Agstafa economic corridor in the west with seven districts; and the Zagatala economic corridor in the north-west with four districts. More than 100 private enterprises (processors and producers) will receive technical assistance to adapt their products and services to better meet market needs. The assistance will be provided through training, trade fairs, grant support, local and international consultants, and assistance in accessing credit. Principal contractors and grantees: Pragma Corporation (prime), International Rescue Committee (IRC) (prime), Chemonics (sub), and Flag (sub), and TBD.

Program Support (\$50,000 FSA, \$210,365 FSA carryover, \$140,676 FSA prior year recoveries). USAID will utilize these funds to support program-funded staff and to cover other costs related to program design and development.

Strengthen the Financial Services Sector and Increase Access to Capital (\$4,750,000 FSA). Given the importance that financial services play in nurturing small and medium enterprises (SMEs), USAID will continue helping SMEs with access to credit, improving the legal and regulatory environment, building capacity in financial regulators and associations, training financial professionals and strengthening financial institutions. Principal contractors: Bankworld (prime), ACDI/VOCA (prime), and TBD.

FY 2007 Program:

Improve Economic Policy and the Business Environment (\$3,000,000 FSA). USAID will continue developing the capacity of a regulatory agency for public utilities. It will continue building the capacity of the GOAZ for more efficient and transparent public expenditure planning and management. USAID will help the GOAZ with planning, investing and accounting for its oil enhanced revenues. Initiatives to improve the environment for commerce, investment, and trade will continue. Principal contractors and grantees: PA Government Services (prime), and TBD.

Increase Agricultural Sector Productivity (\$4,008,309 FSA). USAID will continue support to increase the competitiveness of SMEs through improving access to markets, business services, input distribution, and food quality initiatives. Principal contractors and grantees: Pragma (prime) and IRC (prime).

Program Support (\$579,691 FSA). USAID will utilize these funds to support program-funded staff and to cover other costs related to program design and development.

Strengthen the Financial Services Sector and Increase Access to Capital (\$3,500,000 FSA). USAID will improve the legal and regulatory environment for providers of capital, strengthen the competence of financial regulators, and deepen the capacity of local financial institutions to provide a wide array of financial services to a broad client base. Principal contractors and grantees: ACDI-VOCA (prime), and TBD.

Performance and Results: A solid foundation has been laid for the improvement of the GOAZ public investment program. The development of the computerized financial management system will be completed by FY 2006. The GOAZ has adopted the heating strategy developed by USAID. There has been substantial improvement in the regulatory regime for commercial banks. New tools have been developed for bank regulators including a manual for on-site inspectors and a software system that will generate uniform bank performance reports. The financial and operational sustainability of USAID supported non-bank financial institutions has been achieved. As a result of USAID support, non-bank financial institutions have expanded their operations and disbursed \$25 million in new loans and lent to more than 7,000 new borrowers. USAID-assisted agricultural processors and producers created 804 jobs and increased investment in plant improvements by over \$4 million. Success in this objective would lead to heightened investor confidence in the policies, regulations, and practices of the GOAJ. Further, this objective will help provide investors with better access to financial services, and the infrastructure required for growth. Together these results should induce SME expansion that can be sustained beyond the oil boom.

US Financing in Thousands of Dollars

Azerbaijan

112-0130 Development of Small and Medium Enterprises	FSA
Through September 30, 2004	
Obligations	55,383
Expenditures	38,299
Unliquidated	17,084
Fiscal Year 2005	
Obligations	11,000
Expenditures	0
Through September 30, 2005	
Obligations	66,383
Expenditures	38,299
Unliquidated	28,084
Prior Year Unobligated Funds	
Obligations	1,481
Planned Fiscal Year 2006 NOA	
Obligations	13,670
Total Planned Fiscal Year 2006	
Obligations	15,151
Proposed Fiscal Year 2007 NOA	
Obligations	11,088
Future Obligations	11,000
Est. Total Cost	103,622

Data Sheet

USAID Mission:	Azerbaijan
Program Title:	Civil Society
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	112-0210
Status:	Continuing
Planned FY 2006 Obligation:	\$7,600,000 FSA
Prior Year Unobligated:	\$1,970,000 FSA
Proposed FY 2007 Obligation:	\$6,154,000 FSA
Year of Initial Obligation:	2000
Estimated Year of Final Obligation:	2010

Summary: Democracy, governance, and civil society activities improve the justice sector and legal framework, support democratic local government, promote free and fair elections, strengthen political parties and civil society, support media freedom, and promote anti-corruption reforms.

Inputs, Outputs, Activities:

FY 2006 Program:

Establish and Ensure Media Freedom and Freedom of Information (\$300,000 FSA, \$347,660 FSA carryover). This program assists in shaping the legal environment through media law training and advocacy and building the capacity of media. Journalists will be trained to improve their general reporting skills; targeted media outlets will be assisted in developing as efficient, audience-based, profit-seeking enterprises. Implementer: International Research and Exchanges Board (IREX) (prime).

Program Support (\$950,000 FSA, \$72,478 FSA carryover). Funds will be used to support program-funded staff and other costs related to program design and development.

Promote and Support Anti-Corruption Reforms (\$500,000 FSA, \$250,000 FSA carryover). The program will assist the Azerbaijani citizenry, government, and independent agencies with advocacy for reform of laws and practices, and improving processes. A new TV program will be produced to highlight different examples of corruption. Principal implementers: IREX (prime), and to be determined (TBD).

Promote and Support Credible Elections Processes (\$900,000 FSA, \$210,000 FSA carryover). The program promotes the credible administration of elections and the development of an impartial electoral framework, informs and motivates voters, and supports the monitoring and observation of election processes. Implementer: International Foundation for Election Systems (IFES).

Strengthen Civil Society (\$2,400,000 FSA). The program will: strengthen the legal and institutional environment for citizens to act as agents for reform, articulate and represent their interests, and advocate for issues to be part of the public agenda and reflected in public policies. It will strengthen civil society capacity to impart civic knowledge and democratic values and increase participation in political and civic life. Two study tours for government officials will be conducted, 12 non-governmental organizations (NGOs) will receive capacity-building and advocacy training, and six research and travel grants will be awarded to public policy research organizations. Principal implementers: Counterpart International (CI) (prime), Community Housing Foundation CHF (prime).

Strengthen Democratic Political Parties (\$750,000 FSA, \$1,090,000 FSA carryover). USAID supports the development of a representative political framework. Primary objectives include building capacity of political parties to participate effectively in elections and govern responsibly in elected positions; expanding membership; transparent management of finances; and helping political parties to better respond to constituent concerns. USAID will train political party activists in various areas. Principal implementers: International Republican Institute IRI (prime), National Democratic Institute (NDI) (prime).

Strengthen the Justice Sector (\$500,000 FSA). USAID promotes increased independence, effectiveness, and efficiency of legal institutions such as the judiciary, public defenders, regulatory bodies, public law schools, and the bar association. USAID also supports the implementation of the Street Law Program. USAID will conduct 30 professional development seminars for more than 500 legal professionals. Principal implementers: TBD.

Strengthen the Legislative Function/Legal Framework (\$1,300,000 FSA). The program will assist the newly-elected Parliament to be responsive to the public and hold the executive branch accountable. USAID will create a professional library and training center, organize exchange visits, and introduce the concept of public hearings with active participation of the civil society. Principal implementers: TBD

FY 2007 Program:

Establish and Ensure Media Freedom and Freedom of Information (\$700,000 FSA). USAID will continue providing training on media law and advocacy, strengthen the reform process by building the capacity of media through university and mid-career journalism training courses, and assist media outlet managers in developing efficient, audience-based, profit-seeking enterprises. Principal implementers: IREX (prime).

Program Support (\$354,000 FSA). These funds will be used to support program-funded staff and other costs related to program design and development.

Promote and Support Anti-Corruption Reforms (\$700,000 FSA). Promote transparent and accountable institutions, processes, and policies across all development sectors. Principal implementers: All above.

Promote and Support Credible Elections Processes (\$450,000 FSA). USAID will work with election commissions to assist them to credibly administer the 2008 presidential elections. Assistance will be provided to inform and motivate voters about elections. The program will monitor election processes through local or international organizations. Principal implementers: IFES (prime), NDI (prime).

Strengthen Civil Society (\$1,700,000 FSA). USAID will continue strengthening the legal and institutional environment through supporting local NGOs and advocacy coalitions. Courses will be conducted for issues-based advocacy coalitions on basic advocacy capacity building. Three national and four to eight local advocacy grants will be awarded. Principal implementers: CI and CHF (prime).

Strengthen Democratic Political Parties (\$800,000 FSA). Assistance will continue to develop a competitive and representative political framework; to build the capacity of political parties through expanded membership and transparent management of finances; and to help political parties to better respond to constituent concerns. Principal implementers: IRI (prime), NDI (prime).

Strengthen the Justice Sector (\$450,000 FSA). USAID aims to improve the competency of legal professionals through improvements in university curricula, professional development programs, and increasing citizens' knowledge of their rights and methods to enforce those rights leading to increased confidence in the legal system. Principal implementers: TBD.

Strengthen the Legislative Function/Legal Framework (\$1,000,000 FSA). The program will focus on Parliament's professionalism and institutional capacity including responsiveness to constituents and ability to hold the executive branch accountable. Principal implementers: TBD.

Performance and Results: USAID provided pre-parliamentary election assistance; promoted Law on Public TV and supported the first regional television network; and created a digital frequency map allowing licensing of frequencies for the country's broadcasting spectrum. Party strengthening, voter and media education activities during election months stimulated live public TV debates providing media access for some 1,000 candidates. The results targeted by this objective include a larger, more sustainable, and politically active NGO sector, as well as a citizenry that is more cognizant of its rights and responsibilities. These results should be accompanied by democratic government institutions that are more transparent, and more responsive to citizen input, particularly in administering elections. The key measure of success will be to have international recognition of free and fair elections.

US Financing in Thousands of Dollars

Azerbaijan

112-0210 Civil Society	ESF	FSA
Through September 30, 2004		
Obligations	0	33,044
Expenditures	0	25,060
Unliquidated	0	7,984
Fiscal Year 2005		
Obligations	250	6,470
Expenditures	0	0
Through September 30, 2005		
Obligations	250	39,514
Expenditures	0	25,060
Unliquidated	250	14,454
Prior Year Unobligated Funds		
Obligations	0	1,970
Planned Fiscal Year 2006 NOA		
Obligations	0	7,600
Total Planned Fiscal Year 2006		
Obligations	0	9,570
Proposed Fiscal Year 2007 NOA		
Obligations	0	6,154
Future Obligations	0	6,000
Est. Total Cost	250	61,238

US Financing in Thousands of Dollars

Azerbaijan

112-0310 Humanitarian Assistance	CSH	ESF	FSA
Through September 30, 2004			
Obligations	3,083	100	109,757
Expenditures	83	100	100,976
Unliquidated	3,000	0	8,781
Fiscal Year 2005			
Obligations	0	0	7,775
Expenditures	932	0	7,342
Through September 30, 2005			
Obligations	3,083	100	117,532
Expenditures	1,015	100	108,318
Unliquidated	2,068	0	9,214
Prior Year Unobligated Funds			
Obligations	0	0	50
Planned Fiscal Year 2006 NOA			
Obligations	0	0	0
Total Planned Fiscal Year 2006			
Obligations	0	0	50
Proposed Fiscal Year 2007 NOA			
Obligations	0	0	0
Future Obligations	0	0	7,900
Est. Total Cost	3,083	100	125,482

Data Sheet

USAID Mission:	Azerbaijan
Program Title:	Health
Pillar:	Global Health
Strategic Objective:	112-0320
Status:	New in FY 2006
Planned FY 2006 Obligation:	\$3,780,000 FSA
Prior Year Unobligated:	\$500,000 CSH; \$150,000 FSA
Proposed FY 2007 Obligation:	\$3,053,000 FSA
Year of Initial Obligation:	2006
Estimated Year of Final Obligation:	2010

Summary: Health is a new strategic objective and is included in the new USAID country strategy. The Health program intends to improve health services and practices through health care reform, better use of health resources and health care services, and dissemination of information on healthy lifestyles, rights and responsibilities of the patient. USAID will work closely with the Government in an effort to ensure systemic, institutionalized changes.

Inputs, Outputs, Activities:

FY 2006 Program:

Address Other Health Vulnerabilities (\$2,002,434 FSA). Focused on health system strengthening through policy work and piloted in 3-5 districts by: 1) improving health financing and resource allocation; 2) defining scopes of services; 3) improving the quality of primary health care; 4) strengthening in-service education for health care workers; 5) strengthening in-country capacity for health promotion; and 6) involving people in their own health care. Family medicine and the integration of pediatric care, gynecological care, and adult care into one practice will be the focus, with health providers receiving training in non-communicable diseases, injuries, and maternal and child health. Additionally, study tours, technical assistance, and a Learning Resource Center will be used to strengthen services. Principal contractors and grantees: International Medical Corps (IMC) (prime), American International Health Alliance (AIHA) (prime), Abt Associates (sub), Johns Hopkins School of Public Health (JHSPH) (sub), and Curatio International Foundation (CIF) (sub).

Improve Child Survival, Health and Nutrition (\$230,000 FSA). A range of child health issues will be addressed, including integrated management of childhood illnesses (IMCI), under-five child morbidity, infant and neonatal survival, and immunizations. Pediatric care will be strengthened and integrated within primary health care in 3-5 districts. The population's knowledge on child health issues will be increased through public campaigns. Principal contractors and grantees: IMC (prime), Abt Associates (sub), JHSPH (sub), and CIF (sub).

Program Support (\$547,566 FSA, \$72,936 FSA carryover, \$76,726 FSA prior year recoveries). The resources will fund technical and administrative support to manage the various health and social development activities for USAID. Assessments (e.g., TB and HIV/AIDS) will be conducted for program development.

Support Family Planning (\$1,000,000 FSA, \$500,000 CSH carryover). Supply and demand for family planning will be addressed, aimed at reducing the rate of abortions as a method of fertility control. Family planning and reproductive health services will be strengthened in 13-16 districts through training and technical assistance for providers, and basic renovations and equipping of facilities. Social marketing of family planning will be conducted. Availability of contraceptives in the private and public sectors will be improved. Family planning and reproductive health will be integrated into primary health care services. The public's knowledge about family planning will increase through health campaigns. Principal contractors and grantees: Engender Health (prime), IMC (prime), ADRA International (sub), Meridian Group International (sub), IntraHealth International (sub), Abt Associates (sub), JHSPH (sub), CIF (sub).

FY 2007 Program:

Address Other Health Vulnerabilities (\$850,000 FSA). Health systems will be strengthened by addressing: 1) health care financing and resource allocation; 2) defining scopes of services; 3) improving quality of care; 4) strengthening the quality and use of health information systems; 5) strengthening education for health care workers; 6) improving the pharmaceutical sector; 7) prevention and control of HIV/AIDS; 8) capacity building for health promotion; and 9) involving people in their own health care. These activities will mainly focus on primary health care, family medicine, emergency care, non-communicable diseases, and injuries. Principal contractors and grantees: IMC (prime), American International Health Alliance (AIHA) (prime), Abt Associates (sub), JHSPH (sub), CIF (sub) and to be determined (TBD).

Improve Child Survival, Health and Nutrition (\$400,000 FSA). USAID aims to address a wide range of child health issues, including IMCI, under-five child morbidity, infant and neonatal survival, and immunizations. Services will strengthen a) primary health care; b) pediatric care; c) prenatal, perinatal and post-natal care; and d) neonatal care. Project activities will also increase the population's knowledge on child health issues. Principal contractors and grantees: IMC (prime), Abt Associates (sub), JHSPH (sub), CIF (sub), and TBD.

Program Support (\$453,000 FSA). Program support funds will be used to provide program development and management assistance and tools in order to achieve planned results in the health sector including but not limited to technical and administrative support to manage the various health and social development activities, and assessments and evaluations.

Support Family Planning (\$1,350,000 FSA). USAID will address the supply and demand for family planning, aimed at reducing the rate of abortions as a method of fertility control by: 1) strengthening the quality of FP/RH services; 2) increasing knowledge of modern methods of contraception; 3) conducting social marketing of family planning; 4) improving contraceptive security and logistics; and 5) integrating family planning and reproductive health into primary health care services. Principal contractors and grantees: Engender Health (prime), International Medical Corps (IMC) (prime), ADRA International (sub), Meridian Group International (sub), IntraHealth International (sub), Abt Associates (sub), Johns Hopkins School of Public Health (JHSPH) (sub), Curatio International Foundation (CIF) (sub), and TBD.

Performance and Results: The Ministry of Health is initiating health reforms, which USAID is supporting through this objective. By the end of this objective, a foundation of quality health care services will be established throughout Azerbaijan utilized by all Azerbaijanis, regardless of age, gender, or socioeconomic status, in rural, urban and semi-urban areas. To do this the Government of Azerbaijan will increase financing for health care services, and improve resource allocations, especially for primary health care. To assure quality services, health care facilities will be better equipped, with ongoing provisions of routine medical supplies, and health care providers will be practicing medicine using internationally accepted protocols. Furthermore, the population will be more involved in maintaining their own health and advocating for quality health care services.

US Financing in Thousands of Dollars

Azerbaijan

112-0320 Health	CSH	FSA
Through September 30, 2004		
Obligations	0	0
Expenditures	0	0
Unliquidated	0	0
Fiscal Year 2005		
Obligations	0	0
Expenditures	0	0
Through September 30, 2005		
Obligations	0	0
Expenditures	0	0
Unliquidated	0	0
Prior Year Unobligated Funds		
Obligations	500	150
Planned Fiscal Year 2006 NOA		
Obligations	0	3,780
Total Planned Fiscal Year 2006		
Obligations	500	3,930
Proposed Fiscal Year 2007 NOA		
Obligations	0	3,053
Future Obligations	0	0
Est. Total Cost	500	6,983

Data Sheet

USAID Mission:	Azerbaijan
Program Title:	Cross-Cutting Programs
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	112-0420
Status:	Continuing
Planned FY 2006 Obligation:	\$3,050,000 FSA
Prior Year Unobligated:	\$838,000 FSA
Proposed FY 2007 Obligation:	\$2,450,000 FSA
Year of Initial Obligation:	2000
Estimated Year of Final Obligation:	2010

Summary: This cross-cutting objective is comprised of training, exchanges, study tours, assessments, sector studies, and small grants that support USAID strategic objectives. Training consists of short-term and long-term training. Small grants provide financial support to USAID's local Azerbaijani partners for the development of the private and public sectors including civil society groups.

Inputs, Outputs, Activities:

FY 2006 Program:

Program Support (\$3,050,000 FSA, \$837,766 FSA carryover).

The Eurasia Foundation (EF) will support the three USAID strategic objectives by providing grants and technical assistance in the areas of civil society, economic growth, and public administration. Programs will stimulate citizen demand for transparency in the public sector; improve integrated municipal development (IMD) planning by selecting experienced individuals to participate in a six-month IMDP training of trainers program that will include practical experience in providing consultation services to selected districts; improve public policy research, formation and advocacy by training policy institutions and independent policy analysts; and provide support to business advocacy groups focusing on institutional development of emerging business associations, confederations, and coalitions so that they may develop into self-sustaining, membership-based organizations that have the capacity to effectively lobby for policy changes to improve the business environment. EF will continue to leverage funds from other such donors as the Carnegie Corporation in New York, the Norwegian Embassy, World Bank, International Finance Corporation, Open Society Institute, British Petroleum, and Statoil. Principal implementer: Eurasia Foundation (prime).

The Participant Training program will train over 3,560 participants on a variety of issues including poverty reduction, gender equality, youth empowerment, fiscal reform, community development, non-governmental organization (NGO) strengthening, judiciary, journalism and media strengthening, health services, rural and financial sector development, and national government capacity building. Principal implementer: World Learning (prime).

Through the Community Connections Exchange Visitors Program, USAID will coordinate seven business and professional group trainings for 63 participants in the United States to strengthen human and institutional capacity and promote private and public sector collaborative relationships. Principal implementer: World Learning (prime), Project Harmony (sub).

The Peace Corps program will be enhanced by providing funding to the Peace Corps in Azerbaijan for training of its staff, volunteers, and local counterparts; and funding of the Small Project Assistance (SPA) program for volunteers and their host communities to plan and implement community projects. Principal implementer: Peace Corps (prime).

USAID will utilize funds to support program-funded staff and to cover other costs related to program design and development.

FY 2007 Program:

Program Support (\$2,450,000 FSA).

Eurasia Foundation will continue to support civil society, economic growth and public administration sectors by providing grants and technical assistance to local organizations and initiatives in these sectors. EF will continue to implement joint research projects with the Caucasus Research and Resource centers and to leverage funding from other donors and the private sector. Principal implementer: Eurasia Foundation (prime).

The Participant Training program will focus on a variety of issues including poverty reduction, gender equality, youth empowerment, fiscal reform, community development, non-governmental organization (NGO) strengthening, judiciary, journalism and media strengthening, rural health services, and national government capacity building. Principal Implementer: World Learning (prime).

Through the Community Connections Exchange Visitors Program, USAID will continue to provide business and professional group trainings and study tours in the United States to strengthen human and institutional capacity and promote private and public sector collaborative relationships. Principal implementer: World Learning (prime), Project Harmony (sub).

Funds for Peace Corps will be used to enhance training of its staff, volunteers, and local counterparts; and to provide funding for the SPA program. Principal implementer: Peace Corps (prime).

USAID will utilize these funds to support program-funded staff and to cover other costs related to program design and development.

Performance and Results: Results and outputs as a result of activities in this cross-cutting objective are accounted for under the other USAID objectives supported. Approximately \$1.8 million in grants and technical assistance were provided to projects that promoted efficient use of public funds, civic engagement in the Parliamentary election process and increased profitability of rural micro-enterprises. Additional non-grant activities included the completion of two comprehensive evaluations that identified future strategies for municipal development and media programming and the convening of a series of cluster meetings and roundtables to pilot new projects in fields such as business advocacy, energy reform, and corporate philanthropy. Through the participant training program, approximately 2,526 Azerbaijanis participated in 54 training events in the United States, third countries, and Azerbaijan in technical areas that support USAID's strategic objectives plus the cross-cutting issues of gender, corruption, and youth. Training focused heavily on election-related activities, including the role of government officials, pilot exit poll, U.S. elections observations and access to voting by people with disabilities, support for sustainability of micro-finance institutions, and strengthening of the agribusiness sector and community-based organizations. Eight students completed their Masters program.

US Financing in Thousands of Dollars

Azerbaijan

112-0420 Cross-Cutting Programs	FSA
Through September 30, 2004	
Obligations	22,427
Expenditures	15,826
Unliquidated	6,601
Fiscal Year 2005	
Obligations	7,403
Expenditures	6,202
Through September 30, 2005	
Obligations	29,830
Expenditures	22,028
Unliquidated	7,802
Prior Year Unobligated Funds	
Obligations	838
Planned Fiscal Year 2006 NOA	
Obligations	3,050
Total Planned Fiscal Year 2006	
Obligations	3,888
Proposed Fiscal Year 2007 NOA	
Obligations	2,450
Future Obligations	5,303
Est. Total Cost	41,471