

Data Sheet

USAID Mission:	Uzbekistan
Program Title:	Energy and Water
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	122-0161
Status:	Continuing
Planned FY 2006 Obligation:	\$1,140,000 FSA
Prior Year Unobligated:	\$233,000 FSA
Proposed FY 2007 Obligation:	\$1,072,000 FSA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2007

Summary: USAID is helping Uzbekistan 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 (\$148,000 FSA carryover). USAID is starting a Regional Electricity Market Program (REMAP) and is planning to work closely with the United Dispatch Center (UDC) located in Tashkent, Uzbekistan. The center is entitled to monitor and control electricity generation and transmission throughout the Central Asian Republics. REMAP will provide UDC with technical assistance and training that will help improve its capacity to coordinate and regulate the increased regional electricity trade. Principal contractor/grantee: to be determined (TBD) (prime).

Increase Agricultural Sector Productivity (\$1,140,000 FSA, \$85,350 FSA carryover). Agricultural Finance Plus (AgFin+) is part of USAID/CAR's agricultural development program, the purpose of which is to stimulate economic growth throughout the farm-to-market value chain. Agriculture plays a significant role in the economy of Uzbekistan, including 35% of employment. The AgFin+ Program will increase the income of Uzbekistan's farmers by linking targeted groups of farmers to specific markets. 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/CAR'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 water resources is critical to the agricultural economy of Uzbekistan, which represents nearly 40% of GDP. USAID will continue its assistance to Water User Associations (WUA) in Uzbekistan 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:

Increase Agricultural Sector Productivity (\$1,072,000 FSA). USAID will continue to invest in agricultural development through AgFin+ by expanding the number of target 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 continued implementation of a competitive small grants program. Principal contractors/grantees: Winrock International (prime), Academy for Educational Development and New Mexico State University (subs).

Performance and Results: A component of the USAID water program focused on the Basin Management Organizations (BISA), which are responsible for oversight of the Aral Sea's major river basins. These organizations are responsible for planning water allocations and monitoring and implementing water distribution, all necessary functions for good management of the resource. During the reporting period, USAID worked closely with all 10 BISAs; final versions of the Operating Daily Database and Analyzing Modules were installed in each; and associated training was given to the technical and management staff. The assistance and support provided by USAID under this task has significantly improved the BISAs and the Ministry's capacity for data collection and communication.

In FY 2005, USAID improved access to potable water in the northern areas of Karakalpakstan, an autonomous republic within Uzbekistan, and one of the most desolate and impoverished areas of Central Asia. The project improved access and water quality for more than 670,000 people, and extended the existing drinking water delivery system to approximately 61,000 additional residents through the provision of piping and tools, heavy equipment, and work vehicles.

Improving agricultural productivity and profitability is a key factor in developing a more prosperous way of life for millions of Uzbeks. Toward that end, USAID has launched two activities in the sector: the Water User Association Support Program (WUASP) and Agricultural Finance Plus (AgFin+). In its first year, WUASP established 16 Water Users' Associations (WUAs) in Uzbekistan. The project includes 1,262 WUA members, 61 of which are female. The WUAs cover a total of 47,905 hectares of irrigated land and 7,237 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 over 137,000.

The AgFin+ Project in Uzbekistan targeted the Andijan greenhouse value chain sector this past year. Unfortunately, the Andijan upheavals and continued deteriorating relations between the U.S. Government and the Government of Uzbekistan have significantly hindered progress, and currently all planned activities are on hold pending improvement of the business environment. Previously launched activities include: 1) infusing capital funds into a USAID-supported microfinance bank for loans to greenhouse farmers; 2) enrolling 500 greenhouse farmers in a greenhouse production training program as a condition for receiving credit; 3) subcontracting with a leading greenhouse producer to construct a demonstration greenhouse for alternative crops (strawberries, raspberries, etc.); 4) developing cold storage capabilities to improve quality and extend the shelf life of greenhouse products; and 5) assisting leading greenhouse growers to explore new/more favorable marketing opportunities for their products.

By program's end, USAID will have improved the capacity of national regulators and energy specialists to participate in a regional electricity market. 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

Uzbekistan

122-0161 Energy and Water	FSA
Through September 30, 2004	
Obligations	8,685
Expenditures	5,255
Unliquidated	3,430
Fiscal Year 2005	
Obligations	2,530
Expenditures	0
Through September 30, 2005	
Obligations	11,215
Expenditures	5,255
Unliquidated	5,960
Prior Year Unobligated Funds	
Obligations	233
Planned Fiscal Year 2006 NOA	
Obligations	1,140
Total Planned Fiscal Year 2006	
Obligations	1,373
Proposed Fiscal Year 2007 NOA	
Obligations	1,072
Future Obligations	2,610
Est. Total Cost	16,270