

Data Sheet

USAID Mission:	Central Asian Republics Regional
Program Title:	Energy and Water
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	176-0161
Status:	Continuing
Planned FY 2005 Obligation:	\$825,000 FSA
Prior Year Unobligated:	\$115,000 FSA
Proposed FY 2006 Obligation:	\$850,000 FSA
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2007

Summary: USAID's energy and water program is helping the Central Asia Region improve economic policy and governance, increase private sector growth, and expand and improve access to economic and social infrastructure. The Presidential Initiatives Clean Energy and Water for the Poor are supported via activities noted below.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Economic Policy and Governance (\$350,000 FSA, \$70,000 FSA carryover). USAID will focus on improving the capacity of Central Asian institutions to improve regional cooperation and to mitigate conflict over shared water and energy resources. Activities include assistance to water and energy policy makers and specialists in the development of agreements, practices, and policies on transboundary resource management and improvements in regional communications and data-sharing. Due to a growing energy demand in the region, USAID will assist Central Asian nations to develop policies that lead to transparent and market-based energy trading agreements. Likewise, in water, USAID will assist in the development of management tools that are necessary for downstream users to make decisions on the amount of water to be released from upstream reservoirs. These tools are ever more important as the upstream countries look to sell hydropower independent of the irrigation needs of Kazakhstan, Uzbekistan, and Turkmenistan. Principal contractor/grantee: TBD (prime).

Increase Private Sector Growth (\$375,000 FSA, \$45,000 FSA carryover). USAID, the International Finance Corporation (IFC), and the Canadian International Development Agency will invest in a farmer-owned agricultural services company in southern Tajikistan. The company will provide farmers with much-needed lending, marketing, and retailing services, and will build on USAID's economic sector investments to strengthen small businesses. USAID's resources will contribute to the company's loan capital. The program will increase incomes of the members through improved farm management. Principal contractor/grantee: IFC (prime).

Collaboration between USAID and AES, a U.S.-based international electric power company, will support the establishment of a master's degree program in environmental engineering at the Eurasia University in Astana, Kazakhstan, with design assistance from U.S. universities. There is substantial demand in Central Asia's energy sector for graduates with high quality environmental engineering education. USAID support for this new program will enable students to enroll in the fall of 2005. AES may seek additional funding through USAID's Global Development Alliance program. Principal contractor/grantee: Eurasia Foundation (prime).

Expand and Improve Access to Economic and Social Infrastructure (\$100,000 FSA). 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 the region, representing nearly 40% of GDP in some countries such as Uzbekistan. USAID will increase the number of Water User Associations (WUA) receiving assistance, expand the area of land with increased production, and continue to promote WUA policy and procedural reforms, drawing from regional experience. Principal contractor/grantee:

Winrock International (prime).

FY 2006 Program: Improve Economic Policy and Governance (\$373,000 FSA). Through a program for regional cooperation in energy and water, USAID will continue to work with Central Asian authorities and specialists on bilateral and multilateral agreements to support the development of regional energy markets and water-sharing. This may include activities related to energy efficiency and participation in the Central Asia Cooperation Organization's Water and Energy Consortium. Principal contractor: TBD.

Increase Private Sector Growth (\$53,000 FSA). The Agricultural Finance Plus (AgFin+) activity will continue to support ongoing agricultural activities, and will expand access to local, regional, and/or international markets for a larger number of pilot groups and/or associations. Principal contractors/grantees: Development Alternatives, Inc. (prime) and Winrock International (sub).

Expand and Improve Access to Economic and Social Infrastructure (\$424,000 FSA). Regional funds will be used to expand the number of hectares under improved water management for agricultural production. The program will assist WUAs to implement policy and procedural reforms, and focus on public outreach campaigns to expand the impact of the program. Principal contractor/grantee: Winrock International (prime).

Performance and Results: In FY 2004, regional funding was used primarily for two activities: 1) providing technical assistance on the complex issues associated with energy and water exchanges between upstream and downstream states of the Syr Darya River Basin; and 2) improving regional communication capabilities. The Decision Support System for the Middle Syr Darya, a water planning model, was installed at key regional water management agencies and staff were trained in its use. The main objective of the system is to predict the water demand from Uzbekistan and Kazakhstan on Toktogul Reservoir, located in Kyrgyzstan, in advance of the irrigation season. By sharing this information throughout the region, water decision making becomes more open (based on real conditions) and reduces the potential for conflict over the resource. Central Asian specialists used the system for the first time this past year. As part of any well-managed water management system, data must be made available in real time to support timely decision making and planning. To that end, USAID installed a meteorburst communications system for Central Asia. The system consists of a master station, 29 remote stations, three receiving stations, and associated computers and software to receive and store information. As an indication of the support for the work that USAID has provided in this area, representatives of the National Weather Services in Central Asia signed an agreement to share all data that is collected, processed, and communicated with equipment provided by USAID.

Across Central Asia, USAID is implementing robust training and public outreach programs on improved management of water and energy resources which are closely linked to practical activities in the field. Every component of the water and energy strategic objective, whether local, national, or transboundary in nature, has training associated with it so that management capacity is enhanced and project sustainability is increased. Training manuals developed as part of the demonstration projects were widely distributed to universities, ministries, NGOs, and other stakeholder organizations. Public outreach has consisted of using mass media, public events, and NGO advocacy as well as assisting organizations in developing their own websites.

By the completion of this strategic objective, water and energy resources in Central Asia will be better managed by well-trained specialists who have the tools and the ability to make sound decisions through transparent processes. Also, Central Asian water and energy specialists and policy makers will have implemented policies and practices aimed at improving regional cooperation over shared water and energy resources through the use of internationally-recognized agreements and standards.

US Financing in Thousands of Dollars

Central Asian Republics Regional

176-0161 Energy and Water	FSA
Through September 30, 2003	
Obligations	6,497
Expenditures	2,997
Unliquidated	3,500
Fiscal Year 2004	
Obligations	1,919
Expenditures	2,864
Through September 30, 2004	
Obligations	8,416
Expenditures	5,861
Unliquidated	2,555
Prior Year Unobligated Funds	
Obligations	115
Planned Fiscal Year 2005 NOA	
Obligations	825
Total Planned Fiscal Year 2005	
Obligations	940
Proposed Fiscal Year 2006 NOA	
Obligations	850
Future Obligations	1,200
Est. Total Cost	11,406