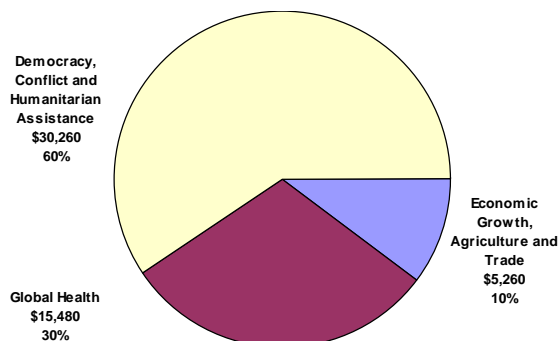
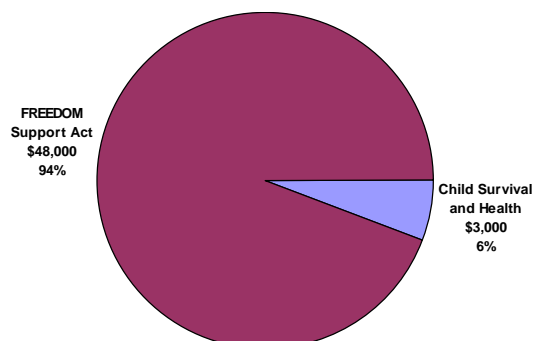


Russia

FY 2006 Assistance by Sector



FY 2006 Assistance by Account



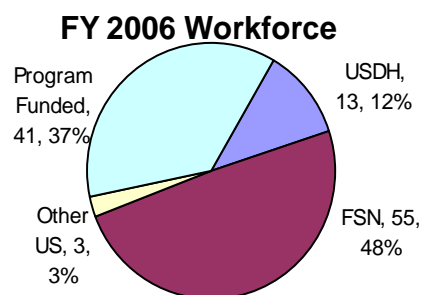
Objectives and Budget

Objective	SO Number	FY 2004	FY 2005	FY 2006
Small Business Development	118-0131	8,574	7,215	3,100
Economic Policy Reform	118-0141	4,221	680	
Environment	118-0161	3,590	625	
More Open, Participatory Society	118-0211	12,290	19,800	12,280
Legal Systems Strengthened	118-0221	3,395	5,587	3,600
Improved Local Governance and Economic Development	118-0231	2,850	3,553	1,520
Health and Child Welfare	118-0321	19,720	22,800	14,480
Special Initiatives	118-0410	12,000		
Cross-Cutting Programs	118-0420	13,709	11,750	6,820
Transfers		19,001	15,990	9,200
Total (in thousands of dollars)		99,350	88,000	51,000

Excludes P.L. 480. See Program Annex.

Administrative Expenses and Workforce

Administrative Expenses	FY 2004	FY 2005	FY 2006
Mission Allocation	5,082	4,400	4,500
USDH Salaries & Benefits	2,082	1,720	1,757
Program Funds	2,986	2,840	2,830
Total (in thousands of dollars)	10,150	8,960	9,087



Mission Director: Terry Myers

The Development Challenge: Russia's history, cultural and demographic complexity, massive land area, and stage of development pose unique challenges and unprecedented opportunities for the U.S. foreign assistance program. The goal of USAID programs is to help Russia become a reliable and effective partner working on key transformational development, geo-strategic, and transnational issues of importance to both countries. USAID's program develops and strengthens policies, mechanisms, and legacy institutions to support that partnership.

Russia's strategic importance is clear. It has 17,000 nuclear warheads and a large standing conventional military force. It has stockpiles of chemical and biological weapons. It is the world's second largest producer of oil and natural gas and has vast timber, mineral, and petroleum resources. With almost a quarter of the world's forest acreage, it provides nearly a third of the planet's carbon dioxide absorption.

Because of Russia's strategic importance, there are a number of issues where cooperation will continue to be of critical interest to the United States for the foreseeable future. These range from concerns about Russia's own social and economic stability to global issues such as trafficking in persons, climate change, combating terrorism, and access to weapons of mass destruction. At the moment, Russia faces a growing health and social crisis. Increased infectious disease transmission and unhealthy lifestyles overburden an already-stretched health care system. In 2004, male life expectancy is 60 years, the same as that of Bangladesh. HIV/AIDS and multi-drug resistant tuberculosis (TB) infection rates are growing rapidly. The birth rate is one of the lowest in the world with 9.63 births per 1,000 people. If these trends continue, Russia's population could decline by one third in the next 45 years.

Poverty is rife. Despite recent dramatic petroleum-led economic growth, it is estimated that about 20% of Russia's population lives in poverty. Small and medium enterprises account for only 12% of the gross domestic product (GDP) compared to 50-70% in other European countries. Scarce job opportunities raise social challenges. Continuing internal migration and consequent co-location of disparate people and cultures coupled with large income disparities are introducing new strains into the social fabric. Democratic reforms have drastically slowed over the past several years as the government has moved to limit independent media and recentralize power.

The USAID Program: USAID's assistance objectives in Russia extend beyond traditional economic and social development. They include broader geostrategic and transnational issues such as counter-terrorism, non-proliferation, infectious disease control, global warming, and trafficking in persons. USAID's development experience and instruments complement the work of other agencies on such issues. In particular, the focus is to strengthen partnerships and to establish lasting mechanisms to link United States and Russian agencies, institutions, governments, organizations, and citizens in common efforts to address key concerns of both countries. The program addresses Congressional interests in: combating infectious diseases; promoting reproductive health and family planning; child survival and maternal health; the needs of vulnerable children and orphans; combating trafficking in persons; domestic violence; and focused support for the Russian Far East (RFE). In FY 2006, more prominence will be placed on democracy and health, with an emphasis on HIV/AIDS, while support to the economic area will be phased out.

Overwhelmingly, USAID assistance is implemented by non-governmental organizations (NGOs) and other private sector entities. Over the short- to medium-term, this support will target the achievement of increased self-sustainability for these groups to ensure continuation of their positive impacts on Russia's politics, society, and economy.

During FY 2005, USAID will prepare its program strategy for the next five years. Evaluations and assessments previously carried out and planned will be drawn upon for lessons learned and to identify priority activities for the future.

USAID's program in Russia has three primary objectives: economic growth (to be phased out over this period); democracy and governance; and health. Within those areas, special efforts will be made to focus on selected local communities and regions in order to introduce proven models that can eventually be applied in other communities and nationally, when appropriate. The requested funds will be used to

implement ongoing programs in these areas.

Other Program Elements: There are a number of other significant programs active in Russia for which non-bilateral funds are provided and activities managed by USAID in Washington. These include U.S./Russian health and environmental partnerships supported by the USAID's bureau for Global Health and Economic Growth, Agriculture, and Trade; focused regional programs to fight corruption, strengthen NGOs, and promote international accounting standards; activities of the Eurasia Foundation; the U.S. Russia Investment Fund (TUSRIF), small business loan guarantees, as well as P.L. 480 activities through the World Food Program and modest efforts to promote tolerance in Chechnya.

In addition, USAID works closely with other U.S. government agencies present in Russia, especially in supporting Department of Energy programs in formerly "closed cities," the Department of State on public diplomacy (along with the Library of Congress) and counter-terrorism, and the Department of Justice on the prevention of trafficking in persons.

Other Donors: The United States is the largest bilateral donor to Russia providing well over half of all bilateral assistance according to OECD data. Total bilateral aid was estimated to be over \$892 million in FY 2004. Other donors, both bilateral and multilateral, include the European Union, World Bank, the United Nations, Germany, Israel, and the United Kingdom. Key emphases for bilateral assistance include: health, education, and other social sectors (48%) and economic infrastructure and services (38%).

Local and foreign private foundations also play an important role, particularly in the areas of civil society and health. However, recent GOR attacks on some of Russia's most successful entrepreneurs and their companies have chilled enthusiasm for charitable giving. Whether corporate charitable giving recovers the strength it showed in 2003 (estimated at \$50 million) depends in great part on whether the Kremlin demonstrates that such giving is welcomed and encouraged.

Russia PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2003 Actual	FY 2004 Actual	FY 2005 Current	FY 2006 Request
Child Survival and Health Programs Fund	3,000	3,000	3,000	3,000
FREEDOM Support Act	144,379	96,350	85,000	48,000
PL 480 Title II	5,536	5,121	0	0
Total Program Funds	152,915	104,471	88,000	51,000

STRATEGIC OBJECTIVE SUMMARY				
118-0131 Small Business Development				
FSA	7,915	8,574	7,215	3,100
118-0141 Economic Policy Reform				
FSA	6,800	4,221	680	0
118-0161 Environment				
FSA	7,850	3,590	625	0
118-0211 More Open, Participatory Society				
FSA	12,422	12,290	19,800	12,280
118-0221 Legal Systems Strengthened				
FSA	4,091	3,395	5,587	3,600
118-0231 Improved Local Governance and Economic Development				
FSA	3,692	2,850	3,553	1,520
118-0321 Health and Child Welfare				
CSH	3,000	3,000	3,000	3,000
FSA	15,100	16,720	19,800	11,480
118-0410 Special Initiatives				
FSA	19,870	12,000	0	0
118-0420 Cross-Cutting Programs				
FSA	14,459	13,709	11,750	6,820
TRANSFER				
FSA	52,180	19,001	15,990	9,200

Mission Director,
Terry Myers

Russia

The Development Challenge: Russia's history, cultural and demographic complexity, massive land area, and stage of development pose unique challenges and unprecedented opportunities for the U.S. foreign assistance program. The goal of USAID programs is to help Russia become a reliable and effective partner working on key transformational development, geo-strategic, and transnational issues of importance to both countries. USAID's program develops and strengthens policies, mechanisms, and legacy institutions to support that partnership.

Russia's strategic importance is clear. It has 17,000 nuclear warheads and a large standing conventional military force. It has stockpiles of chemical and biological weapons. It is the world's second largest producer of oil and natural gas and has vast timber, mineral, and petroleum resources. With almost a quarter of the world's forest acreage, it provides nearly a third of the planet's carbon dioxide absorption.

Because of Russia's strategic importance, there are a number of issues where cooperation will continue to be of critical interest to the United States for the foreseeable future. These range from concerns about Russia's own social and economic stability to global issues such as trafficking in persons, climate change, combating terrorism, and access to weapons of mass destruction. At the moment, Russia faces a growing health and social crisis. Increased infectious disease transmission and unhealthy lifestyles overburden an already-stretched health care system. In 2004, male life expectancy is 60 years, the same as that of Bangladesh. HIV/AIDS and multi-drug resistant tuberculosis (TB) infection rates are growing rapidly. The birth rate is one of the lowest in the world with 9.63 births per 1,000 people. If these trends continue, Russia's population could decline by one third in the next 45 years.

Poverty is rife. Despite recent dramatic petroleum-led economic growth, it is estimated that about 20% of Russia's population lives in poverty. Small and medium enterprises account for only 12% of the gross domestic product (GDP) compared to 50-70% in other European countries. Scarce job opportunities raise social challenges. Continuing internal migration and consequent co-location of disparate people and cultures coupled with large income disparities are introducing new strains into the social fabric. Democratic reforms have drastically slowed over the past several years as the government has moved to limit independent media and recentralize power.

The USAID Program: USAID's assistance objectives in Russia extend beyond traditional economic and social development. They include broader geostrategic and transnational issues such as counter-terrorism, non-proliferation, infectious disease control, global warming, and trafficking in persons. USAID's development experience and instruments complement the work of other agencies on such issues. In particular, the focus is to strengthen partnerships and to establish lasting mechanisms to link United States and Russian agencies, institutions, governments, organizations, and citizens in common efforts to address key concerns of both countries. The program addresses Congressional interests in: combating infectious diseases; promoting reproductive health and family planning; child survival and maternal health; the needs of vulnerable children and orphans; combating trafficking in persons; domestic violence; and focused support for the Russian Far East (RFE). In FY 2006, more prominence will be placed on democracy and health, with an emphasis on HIV/AIDS, while support to the economic area will be phased out.

Overwhelmingly, USAID assistance is implemented by non-governmental organizations (NGOs) and other private sector entities. Over the short- to medium-term, this support will target the achievement of increased self-sustainability for these groups to ensure continuation of their positive impacts on Russia's politics, society, and economy.

During FY 2005, USAID will prepare its program strategy for the next five years. Evaluations and assessments previously carried out and planned will be drawn upon for lessons learned and to identify priority activities for the future.

USAID's program in Russia has three primary objectives: economic growth (to be phased out over this period); democracy and governance; and health. Within those areas, special efforts will be made to focus

on selected local communities and regions in order to introduce proven models that can eventually be applied in other communities and nationally, when appropriate. The requested funds will be used to implement ongoing programs in these areas.

Other Program Elements: There are a number of other significant programs active in Russia for which non-bilateral funds are provided and activities managed by USAID in Washington. These include U.S./Russian health and environmental partnerships supported by the USAID's bureau for Global Health and Economic Growth, Agriculture, and Trade; focused regional programs to fight corruption, strengthen NGOs, and promote international accounting standards; activities of the Eurasia Foundation; the U.S. Russia Investment Fund (TUSRIF), small business loan guarantees, as well as P.L. 480 activities through the World Food Program and modest efforts to promote tolerance in Chechnya.

In addition, USAID works closely with other U.S. government agencies present in Russia, especially in supporting Department of Energy programs in formerly "closed cities," the Department of State on public diplomacy (along with the Library of Congress) and counter-terrorism, and the Department of Justice on the prevention of trafficking in persons.

Other Donors: The United States is the largest bilateral donor to Russia providing well over half of all bilateral assistance according to OECD data. Total bilateral aid was estimated to be over \$892 million in FY 2004. Other donors, both bilateral and multilateral, include the European Union, World Bank, the United Nations, Germany, Israel, and the United Kingdom. Key emphases for bilateral assistance include: health, education, and other social sectors (48%) and economic infrastructure and services (38%).

Local and foreign private foundations also play an important role, particularly in the areas of civil society and health. However, recent GOR attacks on some of Russia's most successful entrepreneurs and their companies have chilled enthusiasm for charitable giving. Whether corporate charitable giving recovers the strength it showed in 2003 (estimated at \$50 million) depends in great part on whether the Kremlin demonstrates that such giving is welcomed and encouraged.

Data Sheet

USAID Mission:	Russia
Program Title:	Small Business Development
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	118-0131
Status:	Continuing
Planned FY 2005 Obligation:	\$7,215,000 FSA
Prior Year Unobligated:	\$113,000 FSA
Proposed FY 2006 Obligation:	\$3,100,000 FSA
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2006

Summary: USAID's business development and finance programs continue to provide technical assistance, training, and non-bank financing to promote development of the small and medium enterprise (SME) sector. This sector is a driving force for a free-market economy and a foundation for a more democratic society through the development of a middle class. Activities benefit entrepreneurs as well as small and medium businesses by improving the policy environment, delivering high quality business services, and improving access to finance with an emphasis on the sector.

Inputs, Outputs, Activities:

FY 2005 Program: Increase Private Sector Growth (\$4,675,000 FSA, \$13,000 FSA carryover). USAID will continue the Enhanced SME Development activity in the Russian Far East (RFE) and focus on areas related to regulatory reform, credit availability, advanced training, and sector-specific consultancies. Consistent with a long-standing earmark, USAID will continue to support the Sustained SME Development Program that works through the University of Alaska at Anchorage (UAA). USAID intends to support economic development and humanitarian aid for the native peoples of the RFE. USAID will design an integrated program of community development and local government technical assistance in the RFE. Working with Alaskan institutions and local implementers, the program will focus on the creation of sustainable structures for the provision of public services and other critical community investments. Principal grantees: Winrock International (prime), the University of Alaska at Anchorage (UAA) (prime), and a new implementer to be determined.

Strengthen Financial Sector's Contribution to Economic Growth (\$2,540,000 FSA, \$100,000 FSA carryover). USAID will continue supporting the development of a vibrant non-bank finance institution (NFI) sector. NFIs are lending institutions that are not regulated by the central bank. The activity's key elements will be to continue development of two long-term sustainable legacy institutions, the Russian Microfinance Center (RMC) and a second-tier Microfinance Fund (MF). These institutions will provide country-wide support to hundreds of indigenous Russian NFIs through training, consulting, dissemination of microfinance standards, betterment of the legal environment, enhanced cooperation with the banking sector, and expanded access to commercial sources of funds. In addition, USAID will continue institutional development of two Russian NFIs on Sakhalin Island, the Sakhalin Small Enterprise Development Foundation and Sakhalin Small Business Credit Society. USAID also will continue to work in the north of Sakhalin in partnership with Exxon Neftegas Ltd. The Regional Sakhalin Microcredit Program will expand to the two new rural locations. This will increase sustainability as a result of a larger customer base, as well as the potential to attract a new investor. USAID will support professional examination and certification of accounting professionals based on internationally recognized principles, standards, and practices. These will include International Financial Reporting Standards and professional ethics to promote transparency and accountability in the preparation and use of financial statements. Principal grantees: Development Alternatives Inc. (DAI) (prime), Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA) (prime), TBD.

FY 2006 Program: Increase Private Sector Growth (\$2,560,000 FSA). USAID will continue the integrated program of community development and local government technical assistance in the RFE working with Alaskan institutions and local implementers. Same implementers as above.

Strengthen Financial Sector's Contribution to Economic Growth (\$540,000 FSA). USAID's support will result in full coverage of Sakhalin Island by a network of two self-sustaining branches. These legacy institutions will continue operation after the end of USAID's assistance. Principal grantee: ACDI/VOCA (prime).

Performance and Results: During FY 2004, USAID-supported NFIs provided SMEs with over 51,100 loans worth over \$83 million, allowing loan recipients to grow their businesses by 200% to 300%, on average. Four of the six USAID-supported NFI networks are fully sustainable and are working with commercial sources of funds: the Opportunity Russia Fund; the Counterpart Enterprise Fund; the Foundation for International Community Assistance (FINCA) of Samara; and the Rural Credit Cooperative Development Foundation. The network of rural credit cooperatives was expanded to over 200, and a third-tier national rural credit cooperative was created.

The Sakhalin Regional Microcredit Program set up five branches which provided financial services to local entrepreneurs. The program evidenced an impressive market success, such as establishing a pattern of non-bank financing, building a partnership with Exxon Neftegas Ltd, developing new credit products, providing training to local commercial banks interested in microfinance, and providing access to credit to local business communities.

The Russian Microfinance Center (RMC) works with over 400 NFIs throughout the country, and has signed cooperation agreements with the Association of Russian Banks and the Association of Russian Regional Banks to support jointly the development of cooperation between the NFI and banking sectors. USAID' efforts were instrumental to further policy improvements for the NFI sector; two examples are the inclusion of microfinance development as one goal of Russia's Banking Strategy for 2004-2005, and the inclusion of NFIs along with banks in the draft Law on Credit Bureaus presently under legislative consideration.

As a result of USAID support, Junior Achievement Russia is the second largest Junior Achievement program in the world, following the United States, with over 400,000 participants annually. More than two million students were served during the past 10 years.

US Financing in Thousands of Dollars

Russia

118-0131 Small Business Development	FSA
Through September 30, 2003	
Obligations	18,822
Expenditures	8,662
Unliquidated	10,160
Fiscal Year 2004	
Obligations	9,341

Expenditures	9,445
Through September 30, 2004	
Obligations	28,163
Expenditures	18,107
Unliquidated	10,056
Prior Year Unobligated Funds	
Obligations	113
Planned Fiscal Year 2005 NOA	
Obligations	7,215
Total Planned Fiscal Year 2005	
Obligations	7,328
Proposed Fiscal Year 2006 NOA	
Obligations	3,100
Future Obligations	0
Est. Total Cost	38,591

Data Sheet

USAID Mission:	Russia
Program Title:	Economic Policy Reform
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	118-0141
Status:	Continuing
Planned FY 2005 Obligation:	\$680,000 FSA
Prior Year Unobligated:	\$221,000 FSA
Proposed FY 2006 Obligation:	\$0
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2006

Summary: USAID supports Russian-led policy reform through: grants to think tanks for institutional strengthening and policy analyses on selected economic topics; technical assistance to improve intergovernmental fiscal relations at all levels of government; small grants to further initiatives to improve corporate governance; targeted technical assistance to strengthen the financial and banking systems; and loan guarantees to stimulate commercial bank lending to small and medium-sized enterprises (SMEs).

Inputs, Outputs, Activities:

FY 2005 Program: Strengthen Financial Sector's Contribution to Economic Growth (\$680,000 FSA, \$221,000 FSA carryover). USAID will continue to support the Central Bank of Russia (CBR) in implementing banking reform. Specifically, it will capitalize on the present momentum and help implement the Deposit Insurance System to boost Russian banks' ability to attract deposits and make loans to SMEs. USAID also will continue to assist the CBR to upgrade its on-site banking supervision capability. At the policy level, USAID will assist the CBR and other government counterparts to improve laws and regulations governing commercial lending, specifically the Law on Credit Bureaus. USAID also will provide a select group of banks with targeted technical assistance and training to strengthen their ability to mobilize savings and engage in commercial lending to SMEs and other businesses. This combination of deposit insurance, bank supervision, and targeted technical assistance will stimulate additional SME lending by commercial banks. Principal grantee: Financial Services Volunteer Corps (FSVC) (prime).

FY 2006 Program: No new funding is planned for FY 2006.

Performance and Results: In FY 2004, USAID support to the CBR was instrumental in bringing about substantive results in banking sector reform. Specifically, USAID supported the drafting of a new Law on Deposit Insurance that was adopted in December 2003. In accordance with this law, a new Deposit Insurance System (DIS) was established. The DIS is critical to establishing consumer confidence in the banking sector and encouraging savings. By late 2004, over 200 banks (out of approximately 1,300) were accepted to the DIS. USAID also supported the drafting of both a new Law on Credit Bureaus and on Credit Cooperatives. Both are presently under consideration by the legislature. USAID provided substantive support to CBR's transformation to risk-based supervision policies. USAID's timely response to CBR assistance requirements was instrumental in helping the bank to successfully resolve the banking crisis of the summer of 2004.

USAID-supported independent think tanks developed policy proposals on key economic reform issues such as pension reform, administrative reform, and streamlining taxation of the SME sector and promoted these policies by presenting their expected consequences to the public.

US Financing in Thousands of Dollars

Russia

118-0141 Economic Policy Reform	DCA	FSA
Through September 30, 2003		
Obligations	152	12,965
Expenditures	0	4,808
Unliquidated	152	8,157
Fiscal Year 2004		
Obligations	617	3,886
Expenditures	18	6,224
Through September 30, 2004		
Obligations	769	16,851
Expenditures	18	11,032
Unliquidated	751	5,819
Prior Year Unobligated Funds		
Obligations	0	221
Planned Fiscal Year 2005 NOA		
Obligations	0	680
Total Planned Fiscal Year 2005		
Obligations	0	901
Proposed Fiscal Year 2006 NOA		
Obligations	0	0
Future Obligations	0	0
Est. Total Cost	769	17,752

Data Sheet

USAID Mission:	Russia
Program Title:	Environment
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	118-0161
Status:	Continuing
Planned FY 2005 Obligation:	\$625,000 FSA
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$0
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2006

Summary: USAID's environment program provides technical assistance, small grants, and training to promote environmentally sustainable economic growth. Additional benefits include improved health for Russia's citizens, and addressing transnational environmental issues such as the migration of pests and global climate change. A major focus is on environmentally-friendly business development that helps to meet the environmental standards necessary to join international economic organizations, and to compete more effectively in the global marketplace. In the forestry sector, the program addresses the larger issues of protecting and preserving Russia's valuable carbon sink, while creating new small business and employment opportunities and promoting civil society, and community development.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Sustainable Management of Natural Resources and Biodiversity (\$625,000 FSA). A new proposed initiative will assist Russia to combat illegal logging, the sale and export of illegally-harvested timber, and corruption in the forestry sector. The program will focus on: strengthening legal regimes and enforcing laws affecting forest management; working on forest certification to advance better forest management and governance; enhancing community knowledge of improper forest governance, related economic effects, and related wildlife issues; and promoting international good business practices in forestry, transparent international markets, and legal trade. Principal grantee: Winrock International (prime).

FY 2006 Program: No new funding is planned for FY 2006.

Performance and Results: USAID's environmental programs improved the efficiency and sustainability of eco-businesses and the associations that support them. Russian businesses now have the capacity to implement environmental management systems conforming to WTO regulations. With USAID support, timber processing wastes were converted into biomass energy, thus providing heat and electricity to people who previously did not have them while saving fossil fuels. Energy efficiency programs provided schools, hospitals, and average citizens with heat, while saving financial resources that are now used to address other social needs. Thanks to a new method to predict and control forest pest outbreaks, associated costs were reduced by 80% in eight regions, and sustainable forest management is practiced on 43.2 million acres. More than 750 groups representing non-governmental organizations, schools, and other groups took part in a fire prevention campaign, disseminating the knowledge to thousands more. At least 120,000 activists participated in more than 1,000 environmental protection, public advocacy, and public participation actions. As a result, knowledge was disseminated to thousands more, evidencing the importance of environmental issues in civil society.

US Financing in Thousands of Dollars

Russia

118-0161 Environment	FSA
Through September 30, 2003	
Obligations	14,650
Expenditures	7,748
Unliquidated	6,902
Fiscal Year 2004	
Obligations	3,930
Expenditures	6,606
Through September 30, 2004	
Obligations	18,580
Expenditures	14,354
Unliquidated	4,226
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2005 NOA	
Obligations	625
Total Planned Fiscal Year 2005	
Obligations	625
Proposed Fiscal Year 2006 NOA	
Obligations	0
Future Obligations	0
Est. Total Cost	19,205

Data Sheet

USAID Mission:	Russia
Program Title:	More Open, Participatory Society
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	118-0211
Status:	Continuing
Planned FY 2005 Obligation:	\$19,800,000 FSA
Prior Year Unobligated:	\$1,799,000 FSA
Proposed FY 2006 Obligation:	\$12,280,000 FSA
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2012

Summary: USAID's program fosters a more open participatory society by directing assistance at strengthening civil society and advocacy institutions, increasing citizen participation, and enhancing sources of independent public information. The program also addresses political processes, media freedom, and efforts to eliminate trafficking of persons.

Inputs, Outputs, Activities:

FY 2005 Program: Strengthen Civil Society (\$12,575,000 FSA, \$172,000 FSA carryover, \$627,000 FSA prior year recoveries). USAID will help civil society organizations (CSOs) advance the interests of their constituencies and advocate for policy reform. The program will build support legislative proposals to improve CSOs' tax status and removing barriers to philanthropy. Activities will: promote democratic values among government officials, business and political leaders; build citizenship competence; and promote youth activism. Participant training will be used where appropriate. Wherever possible, USAID funding promotes direct partnerships between Russian CSOs, municipalities, and their U.S. counterparts, among which are 16 core business association coalitions and a network of 12 policy institutes in 20 regions. The U.S.-Russia Volunteer Corps initiative will continue with joint delegations in humanitarian and other activities in each country. Efforts will continue in community development and related assistance to formerly "closed" cities under a USAID-funded sister cities program. Principal grantees: Institute for Sustainable Communities (ISC), International Research & Exchanges Board (IREX), Junior Achievement (JA), Civic Initiatives Support Centers, Moscow School of Political Studies, Institute for the Economy in Transition, Moscow Public Science Foundation, Center for International Private Enterprise, Academy for Educational Development (AED), Foundation for Russian-American Economic Cooperation, American International Health Alliance (AIHA) (all prime), to be determined (TBD).

Establish and ensure media freedom and freedom of information (\$4,030,000 FSA, \$100,000 FSA carryover). USAID will: expand training and consultation services to promising private regional broadcasters and newspapers; support activities that contribute to commercial self-sustainability; promote socially valuable content to expand media coverage of public issues; provide legal assistance to regional outlets; and strengthen the capacity of professional industry associations to represent and advocate for members' interests. USAID will also train journalists on political reporting. Principal grantees: Internews Russia, Eurasia Foundation, Foundation for Independent Radio Broadcasting, Association of Independent Regional Publishers, Foundation for Information Policy Development (all prime).

Strengthen Democratic Political Parties (\$2,345,000 FSA, \$300,000 FSA carryover). USAID will support political parties to cope with changes affecting the local political environment. Activities will strengthen the organizational capacities of democratically-oriented parties, improve coalition-building efforts, and promote cooperation between parties and NGOs. USAID intends to design a program to expand youth participation in the political process. USAID will also strengthen think tanks to promote independent political thought. Principal grantees: National Democratic Institute (NDI) (prime), International Republican Institute (IRI) (prime), TBD.

Promote and Support Free and Fair Elections (\$350,000 FSA). USAID will support a leading innovative election and politics watchdog non-governmental organization (NGO) and assist in its institutional

strengthening and regional expansion. USAID's partner will monitor the performance of regional legislators and observe regional elections. Principal grantee: Voice Association (prime).

Reduce Trafficking in Persons (\$500,000 FSA, \$600,000 FSA prior year recoveries). USAID will complete its current educational and social-service programs to combat trafficking, and then conduct an assessment of programs and remaining barriers to eliminating trafficking in order to launch a new activity. Principal contractors/grantees: TBD.

FY 2006 Program: Strengthen Civil Society (\$7,000,000 FSA). USAID will initiate a nationwide coalition of leading civic associations and a youth citizenship competence program. It will help 16 coalitions, representing 150 business associations, to advocate on behalf of business and to replicate efforts in other regions and municipalities. USAID will help eight of the best performing think tanks, including three from priority regions, to become financially viable and engage in advocacy on a range of reform issues. Under the U.S.-Russia Volunteer Corps, for the first time, Russian and American volunteers will begin to tackle humanitarian and community development projects in third countries. If continued success is seen, USAID's assistance to closed cities using the sister cities model may be expanded. Same grantees as in FY 2005.

Establish and Ensure Media Freedom and Freedom of Information (\$3,030,000 FSA). USAID will continue work on the sustainability and professional standards of independent media sources through training, professional competitions, and networking. Television, radio, and print news associations will conduct social marketing and service campaigns across Russia. USAID will promote professional, unbiased coverage of political and electoral issues through trainings, dialogue sites, and Internet discussions. Same grantees as in FY 2005.

Strengthen Democratic Political Parties (\$1,650,000 FSA). USAID will support political parties to cope with changes affecting the local political environment. Activities will strengthen the organizational capacities of democratically-oriented parties, improve coalition-building efforts, and promote cooperation between parties and NGOs. USAID intends to design a program to expand youth participation in the political process. Principal grantees: National Democratic Institute (NDI) (prime), International Republican Institute (IRI) (prime), TBD.

Promote and Support Free and Fair Elections (\$600,000 FSA). USAID will support a leading innovative election and politics watchdog NGO and assist in its institutional strengthening and regional expansion. USAID's partner will monitor the performance of regional legislators and observe regional elections. USAID will also strengthen think tanks to promote independent political thought. Principal grantees: Voice Association (prime), TBD.

Performance and Results: Over the 12 years of Russia's transition, USAID was a vital catalyst in the emergence of a huge (estimated at 300,000 to 500,000) NGO community. Now these groups are engaged effectively with local and federal governments, and with a broad spectrum of people. In 2004, government competitive NGO grants in the 11 regions of the Siberian Federal District doubled. USAID established eight regional coalitions of business associations whose membership increased by 45%. USAID-supported independent think tanks engaged in developing policy proposals on key economic reform issues as well as in promoting participatory democracy by publicly presenting the consequences of policy options and fostering debate of key issues. In 2004, 502 regional TV stations participated in a campaign against AIDS. USAID supported a Russian association to monitor and report election irregularities in over 10% of voting districts and serve as a key source for international monitors and media.

US Financing in Thousands of Dollars

Russia

118-0211 More Open, Participatory Society	FSA
Through September 30, 2003	
Obligations	23,457
Expenditures	13,310
Unliquidated	10,147
Fiscal Year 2004	
Obligations	1,499
Expenditures	11,707
Through September 30, 2004	
Obligations	24,956
Expenditures	25,017
Unliquidated	-61
Prior Year Unobligated Funds	
Obligations	1,799
Planned Fiscal Year 2005 NOA	
Obligations	19,800
Total Planned Fiscal Year 2005	
Obligations	21,599
Proposed Fiscal Year 2006 NOA	
Obligations	12,280
Future Obligations	0
Est. Total Cost	58,835

Data Sheet

USAID Mission:	Russia
Program Title:	Legal Systems Strengthened
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	118-0221
Status:	Continuing
Planned FY 2005 Obligation:	\$5,587,000 FSA
Prior Year Unobligated:	\$75,000 FSA
Proposed FY 2006 Obligation:	\$3,600,000 FSA
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2012

Summary: USAID's program to strengthen legal systems increases public awareness of legal rights, strengthens legal protection of human rights, and enhances public relations and advocacy skills of human rights organizations. The program also increases the abilities of lawyers to represent citizens through continuing legal education and supports women's legal rights. It makes the judicial system more transparent, independent, and efficient through training and exchanges between Russian and American judicial officials on judicial education and governance, ethics, court administration, and the implementation of jury trials. The program builds the capacity of the judiciary.

Inputs, Outputs, Activities:

FY 2005 Program: Improve Justice Sector/Legal Framework (\$4,120,000 FSA, \$75,000 FSA carryover). A new set of activities to improve the justice sector and legal framework will begin in FY 2005, continuing the thrust of past programs with some refinements. USAID's judicial reform activities will continue to offer key Russian judicial reformers at the national level, and in regions of Russia that have shown a willingness to innovate, the opportunity to benefit from ideas and examples of the best practices in U.S. judicial administration, governance, and ethics. This will be achieved through exchanges between Russian and American judicial officials and capacity building of Russian institutions such as the Judicial Department of the Supreme Court, the Academy of Justice, the Supreme Qualifying Collegium (SQC), and the Council of Judges. These activities will occur, in part, through regional "sister bar" partnerships that work with the judiciary and other legal professionals in the regions. Continued support for a successful pilot court program will encourage innovative case management and court administration procedures for possible nationwide replication. USAID's follow-on program will fund assistance on carefully targeted aspects of judicial administration, court management (including customer service), and judicial ethics. The judiciary has begun to publish its own bulletin on judicial ethics decisions following upon the success of the USAID-funded publication on this topic. However, further education on implementation of the norms remains important. Principal contractors and grantees: Chemonics International (prime), American Bar Association/Central European and Eurasian Law Institute (ABA/CEELI) (prime), to be determined (TBD).

Protect Human Rights and Equal Access to Justice (\$1,467,000 FSA). To strengthen equal access to justice and protect human rights, a new activity will place greater emphasis on lawyer training, strengthening the skills of users of the legal system, and on better use of the legal system by civil society organizations (CSOs). It will stress the provision of better legal information and representation to Russian CSOs and encourage networking among them. Work with Russia's system of lawyers' "chambers," (somewhat analogous to bar associations), which are now responsible by law for continuing legal education (CLE) for the practicing bar, will help to structure and implement CLE on a national scale. Interaction between carefully targeted members of the Russian and American legal communities, as well as support for indigenous reformers, will further strengthen clinical legal education and other educational innovations, women's rights, and advocacy for legal reform. These activities will continue to build constituencies for legal reform outside of the Government of Russia (GOR) and professionalize the legal community. Technical assistance and training begun in 2003 will continue to support the GOR's decision to implement jury trials nationwide.

USAID will continue its human rights program, partly through a subgrant program and partly through separate grants, to develop the advocacy skills of CSOs, improve their legal status and their image among the general public, and provide access to justice through human rights law clinics. Principal grantees: International Memorial (prime), Perspective (prime), Moscow Helsinki Group (prime), University of Minnesota (prime), and new grantees to be determined.

FY 2006 Program: Protect Human Rights and Equal Access to Justice (\$850,000 FSA). The benefits of earlier support to CSOs in their use of the legal system will result in favorable court decisions in a number of substantive areas in which they work. Should the overall political climate permit, the legal status of CSOs will improve. There will be a program of CLE in place for Russia's practicing lawyers. Same implementers as above.

Improve Justice Sector/Legal Framework (\$2,750,000 FSA). These activities will push for the federal-level judiciary to adopt and apply revised instructions for court personnel. Increasing the confidence citizens place in the judicial system will require the following USAID-supported activities: adoption by the judiciary of better practices; increased efficiency brought about by more widespread use of automation and improved case management; the incorporation of norms from the jurisprudence of the European Court of Human Rights; and greater legal activism by civil society and business. Same implementers as above.

Performance and Results: Although cases of selective prosecution and politically-laden cases grabbed the headlines in 2004, the evolution of the Russian legal system continues. The number of court cases continues to grow, and citizens and taxpayers win a majority of the suits they bring against government agencies. There are also positive forces at work on the judiciary. Since 1998, Russia has been subject to the jurisdiction of the European Court of Human Rights, and since May 2002, at least 17 Russian cases have been decided by the Court, most of them finding violations. This body of law is binding on Russian courts, and the judicial leadership stresses this fact to the rank and file of judges. These cases are beginning to help shape more modern legal norms on key issues such as length of pretrial detention, length of civil proceedings, and rights to appeal.

Although sometimes under pressure, judicial reformers continue to try to strengthen judicial self-government with support from USAID's programs. Since the Judicial Department of the Supreme Court began representing the interests of the courts of general jurisdiction to the Russian government, funding for those courts rose fivefold in five years to the unprecedented level of one billion dollars in 2004. New positions, including court administrators, judicial law clerks, justices of the peace, and court press secretaries, have been introduced in recent years as the judiciary professionalizes its operations, often borrowing the ideas directly from U.S. practice showcased in USAID programs. More court decisions and decisions of judicial organs are published, both nationally and at the regional level. USAID grantees successfully use the legal system, having taken over 1,600 cases to court since 2002 on behalf of workers, refugees, the disabled, and other constituencies. They have won a majority of those cases. In November 2004, a working group of representatives from the Judicial Department, USAID pilot courts, and other judicial officials, joined by two U.S. Clerks of Court, in November 2004 recommended that the Judicial Department delete unlawful portions of the court instructions and incorporate key innovations. The Supreme Qualifying Collegium of Judges has taken over publication of a bulletin (begun as a USAID project) about its judicial ethics decisions, and the All-Russia Congress of Judges recently voted to adopt a new Ethics Code which included input from American judges.

US Financing in Thousands of Dollars

Russia

118-0221 Legal Systems Strengthened	FSA
Through September 30, 2003	
Obligations	8,840
Expenditures	3,928
Unliquidated	4,912
Fiscal Year 2004	
Obligations	3,395
Expenditures	4,559
Through September 30, 2004	
Obligations	12,235
Expenditures	8,487
Unliquidated	3,748
Prior Year Unobligated Funds	
Obligations	75
Planned Fiscal Year 2005 NOA	
Obligations	5,587
Total Planned Fiscal Year 2005	
Obligations	5,662
Proposed Fiscal Year 2006 NOA	
Obligations	3,600
Future Obligations	0
Est. Total Cost	21,497

Data Sheet

USAID Mission:	Russia
Program Title:	Improved Local Governance and Economic Development
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	118-0231
Status:	Continuing
Planned FY 2005 Obligation:	\$3,553,000 FSA
Prior Year Unobligated:	\$200,000 FSA
Proposed FY 2006 Obligation:	\$1,520,000 FSA
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2012

Summary: USAID's local governance program strengthens local governance and civil society by improving the decision-making skills of local governments; increasing their capacity to develop and manage financial, human, and physical resources; and by increasing their awareness and willingness to operate transparently and in sustained partnership with their communities. USAID's partners work in 47 municipalities involving 28 regions across Russia, including the Volga Federal District (VFD), the Russian Far East (RFE), Tomsk, and a number of regional centers in central and southern parts of Russia.

Inputs, Outputs, Activities:

FY 2005 Program: Support Democratic Local Government and Decentralization (\$1,455,000 FSA). To counter a strong trend toward re-centralization and to foster grassroots support for democratic governance that is responsive to citizens' desires and needs, USAID support will help develop and advocate for federal policies and laws to strengthen institutions of local governance. Assistance will be provided to local administrations to adopt local and regional legislation needed to implement the Law on Local Governance, and to help civil society institutions and communities across Russia adapt to its implementation. The most challenging and promising area of USAID's local governance program will be improvement of the system of social assistance. USAID will participate in development of new models of effective social program administration, better targeting of benefits to those in need, and increased efficiency of service delivery through competitive procurement with local civil society and municipal organizations. Additionally, USAID also will train over 1,500 local, regional, and federal officials and non-government community leaders in the skills and practices of public policy-making and administration. Principal grantee: Institute of Urban Economics (IUE) (prime).

Strengthen Democratic National Governance Institutions (\$788,000 FSA). A USAID-funded Russian think tank will develop and implement various inter-governmental fiscal and budget policy reforms. Those reforms will lead to greater transparency in government budgeting, and thus fewer opportunities for corruption. They will also clarify revenue and expenditure assignments between federal, regional, and local levels and implement performance-oriented budgeting at the federal and regional levels. Technical assistance to four pilot regions and short-term assistance to approximately 45 regions will be provided to rationalize revenue transfers between regional and municipal governments. Principal grantee: Center for Fiscal Policy (prime).

Promote and Support Anti-Corruption Reforms (\$1,310,000 FSA, \$200,000 FSA carryover). USAID will continue its support to four public-private partnerships in Samara, Tomsk, Irkutsk, and Primorskiy regions. USAID will support further collaboration among business community, non-government organization (NGO) representatives, and local authorities in the anti-corruption sphere to improve the investment climate in the regions and awareness of the cost of corruption among the population. USAID will also support a new initiative to assist Russia to combat illegal logging and fight corruption in the forestry sector. Additionally, USAID will develop and jointly implement a new anti-corruption program with the Embassy Public Affairs Section. Principal contractors: Management Systems International (MSI) (prime), Winrock International, to be determined (TBD).

FY 2006 Program: Support Democratic Local Government and Decentralization (\$1,250,000 FSA). USAID will disseminate management techniques needed to: implement the new Law on Local Governance that will maximize citizen involvement in public decision-making; expand housing and community services policy reform; strengthen the role of civil society organizations in community development and service; and move toward lasting sustainability for the local governance policy institutions that USAID helped establish. It is anticipated that the period of 2006 through 2008 will be one of enormous demand for testing proposed reforms, proposing alternatives, and developing the regulatory structure to make them effective. After the new Law on Local Governance takes effect in 2006, introducing a two-level system of local government, the number of municipal administrations will increase from approximately 12,000 to as many as 35,000. This will greatly increase demand for technical assistance for newly organized administrations and community leaders. Principal grantee: IUE (prime).

Strengthen Democratic National Governance Institutions (\$270,000 FSA). USAID will continue to develop and implement various inter-governmental fiscal policy reforms, though at a reduced level, as the funding from other donors, and cost sharing with regional and federal government beneficiaries increase. Principal grantee: Center for Fiscal Policy.

Performance and Results: Access to affordable housing continues to be one of the top priorities of the Russian population. In 2004, USAID's local governance program, through its implementing partner, the Institute for Urban Economics, aided significantly the development and promotion of federal housing policy. This resulted in the legislature's consideration of 26 federal laws and regulations to improve the housing and mortgage lending systems; 25 of these laws were adopted in 2004. Nine of these laws are already adopted, with the balance anticipated to be in place before the end of 2004. The new laws include national codes covering both housing and urban planning. A new law that clarifies spending responsibilities across all levels of government, as well as draft legislation on credit bureaus and deposit insurance, were developed with USAID assistance. A code of best practices aimed at improving municipal management was developed and provided to municipal associations for further dissemination.

In 2004, Russia's first graduate-level degree program in urban economics was established. This represents a major achievement in the push to institutionalize and disseminate the knowledge developed by USAID's extensive programs in housing, land markets, social services, and local governance. In addition, more than 500 articles on local economic development, social assistance, and the provision of housing and community services were published in local, regional, and national print media. Creation of complex socio-economic strategic plans, with corresponding implementation mechanisms, improved the investment climate of the five participating municipalities. For instance, Dmitrovgrad in Ulyanivskaya oblast attracted \$12 million in foreign housing and utility sector investment after the creation of a transparent mechanism for investors.

Legal assistance to over 1,500 people in Samara and Tomsk was provided during 2004 by lawyers of the local offices of Citizen Advocates. Television stations in Tomsk and Samara broadcast special films on corruption and organized talk-shows on the topic. In 2004, a small grants program to local TV outlets ended, but broadcasts continued using other donors' support and through the TV stations' own efforts. The Samara Partnerships (a CSO) was included in the regional budget and the anti-corruption coalition will be receiving regional funding from 2005 onward.

US Financing in Thousands of Dollars

Russia

118-0231 Improved Local Governance and Economic Development	FSA
Through September 30, 2003	
Obligations	7,457
Expenditures	2,359
Unliquidated	5,098
Fiscal Year 2004	
Obligations	2,934
Expenditures	4,007
Through September 30, 2004	
Obligations	10,391
Expenditures	6,366
Unliquidated	4,025
Prior Year Unobligated Funds	
Obligations	200
Planned Fiscal Year 2005 NOA	
Obligations	3,553
Total Planned Fiscal Year 2005	
Obligations	3,753
Proposed Fiscal Year 2006 NOA	
Obligations	1,520
Future Obligations	0
Est. Total Cost	15,664

Data Sheet

USAID Mission:	Russia
Program Title:	Health and Child Welfare
Pillar:	Global Health
Strategic Objective:	118-0321
Status:	Continuing
Planned FY 2005 Obligation:	\$3,000,000 CSH; \$19,800,000 FSA
Prior Year Unobligated:	\$60,000 FSA
Proposed FY 2006 Obligation:	\$3,000,000 CSH; \$11,480,000 FSA
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2010

Summary: Over the past five years, Russia has experienced one of the world's fastest growing HIV/AIDS epidemics. Therefore, HIV/AIDS prevention is the cornerstone of USAID's health activities, including a multi-pronged approach to combat the epidemic: engaging leadership, mobilizing civil society, improving the public health response, and creating replicable models. USAID's interventions introduced and incorporated the best international practices in health care and child welfare. The strategy is to adapt international guidelines, train practitioners in management and policy skills, and develop the most appropriate interventions. USAID is introducing modern systems of prevention and care as well as improving policies and regulations for infectious diseases, reproductive health, maternal and infant health, primary health care, and child welfare.

Inputs, Outputs, Activities:

FY 2005 Program: Reduce transmission and impact of HIV/AIDS (\$9,900,000 FSA, \$20,000 FSA carryover, \$3,000,000 CSH). USAID's focus will be on prevention. Efforts will continue to strengthen non-governmental organizations (NGOs) working on the HIV/AIDS issue. Programs for HIV orphans will be expanded. Child abandonment prevention, integrated into health services for HIV-infected women, and foster care for abandoned children will be piloted in target regions. Prevention interventions will be aimed at high-risk groups. Moreover, treatment, care, and support services will be increased, including those for the prevention of mother-to-child transmission (PMTCT) of HIV/AIDS. Communication and advocacy campaigns will be launched to reduce high-risk behavior among vulnerable youth. Ongoing training for health care providers will increase the number of those meeting international standards for the delivery of HIV/AIDS treatment services. Finally, USAID will continue to develop areas of HIV intervention in the Russian Far East (RFE). The HIV treatment, care, and support initiative will continue in five regions to empower local leaders to help promote multi-sectoral collaboration; establish support for people living with HIV/AIDS; engage and strengthen NGOs working in prevention, care and support; ensure control of HIV transmission; and, build capacity to apply a quality improvement methodology. Finally, USAID will help address the global threat of HIV/AIDS through the International Health Corps of Russia. Principal grantees: Johns Hopkins University (JHU) (prime), American International Health Alliance (AIHA) (prime), International Exchange and Research Board (IREX) (prime), University Research Corporation (URC) (prime), to be determined (TBD).

Prevent and Control Infectious Diseases of Major Importance (\$3,750,000 FSA, \$40,000 FSA carryover). The tuberculosis (TB) control program will continue in seven regions of Russia, including the RFE. Broad support will be provided to regional governments. Efforts will introduce and expand treatment of multi-drug resistant (MDR) TB and infection control measures for possible replication nationwide. The program will refine TB-related national guidelines. USAID also will support Hepatitis C prevention and control interventions in the RFE. Principal contractors/grantees: World Health Organization (WHO) (prime), Center for Disease Control and Prevention (CDC) (prime), Department of Health and Human Services (DHHS) (prime), International Federation of the Red Cross and Red Crescent Societies (IFRC) (prime).

Improve child survival, health, and nutrition (\$2,570,000 FSA). USAID will improve the quality and quantity of direct medical-social services to reduce the number of children in institutional care. Development of these services, strengthened by policy work and advocacy, will build up an environment

for community involvement and stigma reduction to help in social integration. Principal grantees: International Exchange and Research Board (IREX) (prime), Doctors of the World (DOW) (prime), and Kidsave International (sub).

Reduce unintended pregnancy and improve healthy reproductive behavior (\$3,580,000 FSA). Comprehensive models of family-centered maternity care, newborns' care, exclusive breastfeeding, and client-centered family planning will be integrated in 14 Russian regions. An activity on integration of family planning and HIV prevention counseling in prisons will begin, with a focus on females and juveniles. Principal contractors/grantees: John Snow Inc. (prime), Johns Hopkins University (JHU) (prime), International Federation of the Red Cross and Red Crescent Societies (IFRC) (prime), Department of Health and Human Services (DHHS) (prime).

FY 2006 Program: Reduce transmission and impact of HIV/AIDS (\$7,430,000 FSA, \$3,000,000 CSH). USAID-supported partnerships will reach 1,000 patients per region with antiretroviral (ARV) drugs. Technical support will be increased to the Government of Russia (GOR) for implementation of HIV/AIDS and TB Global Fund grants. More NGOs will provide prevention services to the most at-risk populations. Access to treatment, care, and support services will increase. Work with high-risk youth will result in a decrease in risky behavior. Policy and advocacy activities will increase national and local resources for HIV/AIDS programs. PMTCT efforts will be further replicated. Regional models of abandonment prevention for HIV/AIDS-affected children will be in place in target areas. Policy efforts will aid legislation on foster care and mainstreaming for HIV orphans. Principal grantees: JHU (prime), AIHA (prime), IREX (prime), URC (prime), TBD.

Prevent and control infectious diseases (\$2,750,000 FSA). Efforts will continue to strengthen pilot TB programs to serve as the model for a greatly expanded World Bank/GOR program. USAID will work with its implementing partners to address TB/HIV co-infection, multi-drug resistant TB treatment, and Hepatitis C prevention. Principal contractors/grantees: WHO (prime), CDC (prime), DHHS (prime), IFRC (prime).

Improve child survival, health, and nutrition (\$1,300,000 FSA). New abandonment prevention policies and strategies will be introduced, and these will provide authorities nationwide with instruments for reforming child and family welfare systems. Principal grantees: IREX (prime), DOW (prime), Kidsave International (sub).

Performance and Results: USAID's assistance resulted in great progress in the magnitude, nature, and effectiveness of Russia's response to HIV/AIDS and TB. USAID leveraged over \$210 million in GOR support to address these problems. GOR spending for HIV/AIDS is at \$27 million, as contrasted to the \$4 million reported four years ago, and support is growing for further increases for HIV/AIDS. While HIV/AIDS cases rose by 10% from last year, the number of patients treated with antiretrovirals (ARVs) remained below 2000. However, services and training are in place to triple and quadruple the cases treated in USAID-supported regions. A total of 65 health care facilities and 600 specialists were engaged in a treatment, care, and support initiative in five regions. To address MDR TB, a pilot treatment program, the first of its kind, operated in one region. About 155 patients took part in the pilot program. Of these, 78 patients completed treatment, with a success rate exceeding 75%, whereas formerly the fatality rate was 100%. More than 4,000 health professionals in the civilian and penitentiary systems were trained in TB-related subjects. Over 180 child welfare services and 70 policies developed by 200 change agents helped 45,000 children stay in family care. Successful family planning models were replicated in 12 regions, covering 156 facilities, to deliver services to women and their children.

US Financing in Thousands of Dollars

Russia

118-0321 Health and Child Welfare	CSH	FSA
Through September 30, 2003		
Obligations	3,000	28,715
Expenditures	186	9,947
Unliquidated	2,814	18,768
Fiscal Year 2004		
Obligations	7,500	17,560
Expenditures	1,091	14,522
Through September 30, 2004		
Obligations	10,500	46,275
Expenditures	1,277	24,469
Unliquidated	9,223	21,806
Prior Year Unobligated Funds		
Obligations	0	60
Planned Fiscal Year 2005 NOA		
Obligations	3,000	19,800
Total Planned Fiscal Year 2005		
Obligations	3,000	19,860
Proposed Fiscal Year 2006 NOA		
Obligations	3,000	11,480
Future Obligations	0	0
Est. Total Cost	16,500	77,615

Data Sheet

USAID Mission:	Russia
Program Title:	Cross-Cutting Programs
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	118-0420
Status:	Program Support Objective
Planned FY 2005 Obligation:	\$11,750,000 FSA
Prior Year Unobligated:	\$3,145,000 FSA
Proposed FY 2006 Obligation:	\$6,820,000 FSA
Year of Initial Obligation:	1999
Estimated Year of Final Obligation:	2012

Summary: USAID's cross-cutting programs include financial support for the Eurasia Foundation's projects in civil society, support for the Community Connections program, and program monitoring, evaluations, and surveys.

Inputs, Outputs, Activities:

FY 2005 Program: Community Connections (\$2,000,000 FSA, \$2,500,000 FSA carryover). As a part of the overall participant training program, USAID will implement a Community Connections project. The broad public diplomacy goal of the Community Connections project is to contribute to economic and democratic reform, and to promote mutual understanding in Eurasia through exposure to U.S. society and personal connections with Americans. Through local community host organizations in the United States, men and women entrepreneurs, local government officials, legal professionals, civil society organizations leaders, and other professionals from Russia will be provided with a three to five week training program in the United States, tailored to their professional or business interests. Principal contractor/grantee: to be determined (TBD).

Eurasia Foundation (\$8,000,000 FSA). The New Eurasia Foundation (NEF) was established in 2004 as a successor to the Eurasia Foundation. As a unique partnership among foundations in Russia, the United States, and Europe, NEF seeks to preserve and strengthen civil society in Russia and promote the country's integration into the world community. Expanding on the experience of the Eurasia Foundation, NEF will support primarily young Russian citizen leaders and opinion makers to make a difference in their communities by utilizing the most innovative of Russian and international experience and resources. In so doing, NEF will seek to support civil society in Russia, while also forging and deepening ties among Russia, the United States, and Europe through various programs and grants. While NEF continues many of the Eurasia Foundation's programs, there will be more focus on selected regions of Russia where a greater impact can be achieved through cross-sector development assistance and grant-making and where local administrations show particular interest. NEF strives to develop a civil society based on pluralism, trust, and cooperation between different societal groups and institutions. These goals will be achieved through the creation, strengthening, and consolidation of the third sector in Russia, and piloting new models of citizen activism and participation, from NGO resource centers to community schools. NEF is also committed to democratization of administration processes and building up public administration mechanisms at the regional and municipal levels. The target groups are regional authorities, local governments, and civil society institutions in the regions, especially youth and professional associations. Principal grantee: NEF.

Special Initiatives (\$450,000 FSA). USAID will support the Russian American Pacific Partnership Program (RAPP) to develop opportunities for regional cooperation between the Russian Far East and the U.S. West Coast through public and private participation. In addition, USAID will continue to support the Sakhalin Island American Business Center's advisory services to foster investment in Sakhalin small and medium enterprises. Principal grantee: Foundation for Russian-American Economic Cooperation (FRAEC) (prime).

Program Development and Support (\$1,300,000 FSA, \$324,000 FSA carryover, \$321,000 FSA prior year

recoveries). USAID will continue to support the Russia Longitudinal Monitoring Survey (RLMS), to collect high quality household survey data covering economic and social conditions. Evaluations, assessments, and studies will assess and document program impact, identify implementation issues, make recommendations for their resolution, and improve understanding of Russia's development challenges. Principal contractors/grantees: University of North Carolina (UNC) (prime), TBD.

FY 2006 Program: Community Connections (\$1,170,000 FSA). USAID intends to continue support for the goals of the Community Connections program. Principal contractor/grantee: TBD.

Eurasia Foundation (\$5,000,000 FSA). The NEF will continue to serve as the legacy institution for Eurasia Foundation and will inherit all of its programs. Same implementer as above.

Program Development and Support (\$650,000 FSA). USAID plans to conduct studies, assessments, and related activities for program design and evaluation. Same implementers as above.

Performance and Results: With USAID funding, the Eurasia Foundation (EF) supported the creation and establishment of a number of mechanisms to support the growth of small business, civil society, and independent media in FY 2004. The Eurasia Foundation completed and evaluated its program with Yukos Oil Company, which resulted in the creation of 300 new small businesses and 500 new jobs in remote oil cities in Siberia. Unfortunately, the Russian government's dismantling of this company threatens an expansion of this successful effort. In FY 2004, the Eurasia Foundation also launched a partnership with Siberian-Ural Aluminum (SUAL)-Holding to support small and medium enterprise (SME) development in two cities in the Sverdlovsk region. Concurrently, USAID formalized the USAID-SUAL Global Development Alliance, where the EF is also playing a key role implementing SME development programs. In civil society, the EF continued its work to support the growth and strengthening of Russian philanthropy. With partial funding from the Hewlett Foundation, the EF conducted training sessions and high level meetings for wealthy Russians as well as managers of major Russian companies. In addition, the EF continued to support the development of socially active schools in several regions of the Russian Federation. In independent media, the Eurasia Foundation, with partial funding from the British government, began a highly focused program to provide consulting and training services to independent regional newspapers in small Russian cities. In addition, together with the International Research and Exchange Board (IREX), the EF's media program ran a first-ever competition for newspaper designers that attracted the participation of more than 100 newspapers from across Russia. In the Russian Far East, the EF continued to support youth and volunteer initiatives, and initiated a new program to establish career centers at a number of universities in Russia.

In FY 2004, the EF made major progress in its Russianization strategy in Russia. In June, the NEF, a Russian foundation, established jointly by the EF, the Dynasty Foundation (Moscow) and the Madariaga European Foundation (Brussels), was registered in Moscow. As a part of this process, the NEF established financial and managerial systems, recruited staff and began operations in late, 2004. The EF is ceasing its grant-making activities in Russia and will instead channel remaining USAID funds to the NEF.

US Financing in Thousands of Dollars

Russia

118-0420 Cross-Cutting Programs	ESF	FSA
Through September 30, 2003		
Obligations	2,991	157,123
Expenditures	2,991	146,702
Unliquidated	0	10,421
Fiscal Year 2004		
Obligations	0	12,511
Expenditures	0	13,649
Through September 30, 2004		
Obligations	2,991	169,634
Expenditures	2,991	160,351
Unliquidated	0	9,283
Prior Year Unobligated Funds		
Obligations	0	3,145
Planned Fiscal Year 2005 NOA		
Obligations	0	11,750
Total Planned Fiscal Year 2005		
Obligations	0	14,895
Proposed Fiscal Year 2006 NOA		
Obligations	0	6,820
Future Obligations	0	0
Est. Total Cost	2,991	191,349