

Data Sheet

USAID Mission:	Turkmenistan
Program Title:	Small and Medium Sized Enterprises
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	120-0131
Proposed FY 2004 Obligation:	\$765,000 FSA
Prior Year Unobligated:	\$60,000 FSA
Proposed FY 2005 Obligation:	\$530,000 FSA
Year of Initial Obligation:	2001
Year of Final Obligation:	FY 2006

Summary: USAID's program to improve the environment for the growth of small/medium enterprises includes training and technical assistance to: increase opportunities to acquire business information, knowledge, and skills; build the capacity of financial institutions; and increase commercial law awareness.

Inputs, Outputs, Activities:

FY 2004 Program:

Business Skills and Information (\$625,000 FSA, \$59,508 FSA carryover). USAID's Enterprise Development Project will provide trade advisory services, as well as deliver 35,000 participant hours of open enrollment courses in subjects such as business plan preparation, financial statement analysis, and the legal environment for small/medium enterprises. The project will also continue training, testing, and certifying accountants in International Accounting Standards. In the upcoming year USAID expects to certify 30 Certified Accounting Practitioners. Principal contractor/grantee: Pragma Corporation (prime).

To raise the level of business and economics education, USAID will continue providing support to strengthen the quality of higher education and thus better prepare youth to enter and compete in a market economy. The program will train professors in modern business and economics, and work with administrators at higher education institutions to build capacity and develop economics and business programs that meet international standards. USAID, in partnership with Junior Achievement International, will provide business and economics training to middle and high school teachers and build administrative capacity in the Junior Achievement local chapter to reach sustainability. This year the project will expand beyond the capital, Ashgabat, and start work in the regions. Principal contractors/grantees: Carana Corporation (prime) and Junior Achievement International (prime).

Build Financial Institution Capacity (\$58,000 FSA). USAID will provide technical assistance and training to key staff of the Central Bank of Turkmenistan in order to strengthen the Bank's capacity to establish sound supervisory policies and regulations, monetary and credit policy analysis, and internal controls. Principal contractor/grantee: Bearing Point (prime).

Increase Commercial Law Awareness (\$82,000 FSA). USAID will develop and conduct a number of courses related to commercial law in order to raise awareness in both the public and private sectors as well as educate young law professionals on basic commercial law concepts. Principal contractors/grantees: American Bar Association Central Europe and Eurasia Law Initiative (prime).

FY 2005 Program:

Business Skills and Information (\$355,000 FSA). The Enterprise Development Project will continue providing trade advisory services and delivering open enrollment business courses as well as International Accounting Standards training, testing, and certification. The project may expand to include business advisory services. Principal contractor/grantee: Pragma Corporation (prime).

Build the Capacity of Financial Institutions (\$175,000 FSA). USAID will continue its work with the Central Bank in order to strengthen its bank supervision systems and internal controls. Principal contractor/grantee: BearingPoint (prime).

Performance and Results: USAID found ways to contribute to the economic development of Turkmenistan, more so through educational programs than official cooperation with government agencies, where unpredictability and a general reluctance has made assistance difficult to deliver. Training in International Accounting Standards achieved important successes this year, as the project trained and tested 240 accountants. USAID supported efforts to establish an accounting association with technical assistance and a grant to the Association of Accountants and Auditors of Turkmenistan. Once the association becomes official, it can begin certifying Turkmen accountants who have already passed the accounting standard exams. USAID donated over 500 sets of books (a set is the textbook, study guide and country-specific appendix) to students and teachers in order to learn business and economics basics in high schools. The Russian language textbooks will be used by a cadre of 10 trainers based in schools throughout Turkmenistan. In a welcome turn of events, the Central Bank requested assistance in monetary and credit policy analysis, internal audit, and Basel Core Principles implementation, and USAID responded quickly to budget and plan assistance for FY 2004.

By program's end, it is expected that USAID will have established a foundation for future economic agents and business leaders to advocate more effectively for the liberalization of economic policies and a stronger private sector.