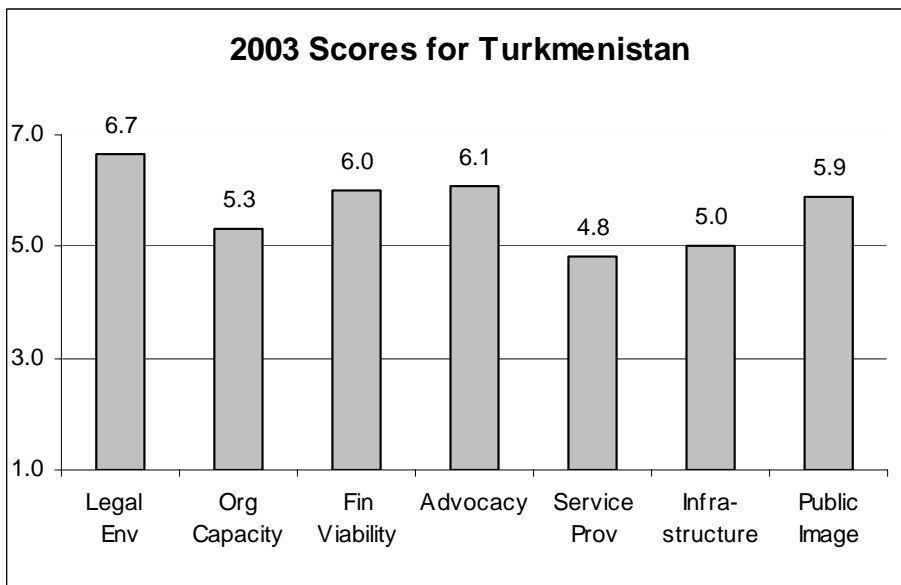


# TURKMENISTAN



**Capital:**  
Ashgabat

**Polity:**  
Presidential

**Population:**  
5,600,000

**GDP per capita (PPP):** \$3,956

## NGO SUSTAINABILITY: 5.7

The civil society sector in Turkmenistan continued its development under extremely difficult conditions over the past

NGO SUSTAINABILITY	
2003	5.7
2002	5.6
2001	5.8
2000	6.0
1999	6.6

year. According to the database maintained by Counterpart International, there are 270 NGOs and unregistered initiative groups, of which 157 kept active relationships with Counterpart International in Turkmenistan in 2003. The Turkmen opposition led by the former Minister of Foreign Affairs became active which resulted in a few cases of anti-government strikes, distribution of leaflets, as well as an assassination attempt on President Niyazov allegedly organized by the opposition forces. The latter caused mass arrests in the country and re-introduction of exit visa.

Several controversial laws were adopted, such as The Law on Betrayal of the Motherland and The Law on Terrorism, aiming to put even stricter control over citizens' freedoms. Internet cafes were shut, and personal users of Internet were interrogated by the KNB (former KGB). Farid Tugbatulin, an environmental activist, was arrested and sentenced for three years in prison for participation in a Human Rights conference and "illegal crossing of the Uzbekistan-Turkmenistan border." Several NGOs were visited by KNB officers and interviewed. The government attempted to monitor any events with NGOs' participation. The abolishment of the Double Citizenship Agreement between Turkmenistan and Russia by the Turkmen Government caused wide migration of the Russian population, including Russian-speaking NGO members. The third sector is becoming more Turkmen-speaking.

Philanthropy remains to be limited to individual business groups. In addition to the existing donors, the World Bank launched small grant and community innovation programs funding registered and non-registered NGOs. The majority of NGOs are led by women. According to the Counterpart International, 62 new initiative groups started their activities in communities. The majority of NGOs are focused on the provision of the social services, such as education, healthcare, water and utilities, environmental problems, rights of pensioners, support of the orphanages, and others. More NGOs tend to be in-

involved in sensitive areas like juvenile criminals and groups at risk, as well as legal consultancies on domestic violence.

While there were no examples of large nation-wide advocacy campaigns, there were a few attempts to advocate at the local level and some attempts to advocate for reforms in the current legislation. No coalitions were created around any issues. Management of NGOs remains based around personalities, and only few NGOs, like the Water Users Association, have a functioning Board of Directors.

**LEGAL ENVIRONMENT: 6.7**

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A new NGO law was adopted in the fall 2003, which had an extremely negative effect on civil society development. In addition to a number of restrictive clauses, the law demands registration of all groups and re-registration of existing registered NGOs to be able to act legally, as well as registration of all grants provided by international organizations.

Harassment of NGOs by the law-enforcement agencies increased. A number of NGOs were called in by the KGB or were visited by KGB.

Numerous independent organizations were told to stop operating until registered, and some were called into court. Several groups submitted papers for registration to the relevant authorities, however there were no mechanisms in place at year's end to regulate the registration process. NGOs worry that their fate may be determined by their relevant government ministries, many of which are very negative toward NGOs.

Taxation of NGOs is regulated by the Civic Code and the Tax Code. Registered NGOs are subject to social taxes, personal income tax, property tax and other local taxes. However, because most NGOs could not obtain registration and because of problems with the banking system, most grants to NGOs, including registered organizations, were paid in cash. The newly adopted law practically made these grants illegal. NGOs prefer not to report to Tax Inspection, and tax inspectors are very often confused by the Tax Code provisions. Usually NGOs attempt to obtain operational licenses and patents for "individual labor practices" in order to do their work; however, these licenses can also be difficult to obtain from the ministries (for example, educational licenses are to be issued by the Ministry of Education).

LEGAL ENVIRONMENT	
2003	6.7
2002	6.5
2001	6.5
2000	6.5
1999	7.0

### ORGANIZATIONAL CAPACITY: 5.3

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Although NGOs want to improve their organizational capacity, they are hampered by many factors, including:

ORGANIZATIONAL CAPACITY	
2003	5.3
2002	5.3
2001	5.5
2000	5.8
1999	6.0

a limited number of grant-making organizations, inability to register, and the declining economic situation. Increased migration of the Russian-speaking

population caused a significant brain-drain in NGOs, since many of prominent and educated NGO leaders left. There are still many NGOs that do not have clear mission and are led by donor priorities rather than by common objectives and mission visions. Many NGOs do not practice strategic planning, as they do not see any need to do so. Internal management structures continue to be dominated by leading strong personalities. The majority of NGOs either does not see the importance of the Boards of Directors or do not understand the role they play. Few NGOs practice open organizational meetings or use conflict resolution tools.

Transparency of NGOs has slightly improved. There are a few NGOs who distribute annual public reports (e.g., *Keik Okara*). However, security reasons and fear of pressure from the government keep policies of most NGOs closed and non-transparent. Tight economic conditions force NGOs to use mainly volunteers. Some NGOs believe that availability of paid personnel may jeopardize the NGO concept in the eyes of the government, and that the NGO work should be exclusively based on volunteerism.

Technical capacity has somewhat improved. The USAID-funded Network of four Resource Centers provided NGOs in four regions with necessary technical assistance, information support and internet and e-mail access. There are a number of NGOs equipped with computers, printers, and other accessories, through grants from international donors.

### FINANCIAL VIABILITY: 6.0

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With a few exceptions, NGOs remain to be exclusively dependent on grants from international organizations. Some donors

FINANCIAL VIABILITY	
2003	6.0
2002	5.3
2001	5.5
2000	6.0
1999	7.0

have begun giving grants to unregistered organizations. For instance, the World Bank launched the Community Innovation Day and Small Grant programs for

non-registered civil society groups. Local philanthropy is not developed, partially

because the business community is weak, partially because it is afraid of possible sanctions from the government. In addition, a lack of tax incentives and misunderstanding of the third sector make it extremely hard for NGOs to diversify their income. Sporadic examples of philanthropy are usually manifested in the form of donations to disabled people or orphanages. With introduction of the new NGO Law, financial sustainability of NGOs will likely deteriorate, since all NGOs may be forced to work through bank accounts, which, taking into account

an undeveloped banking system and the fact that the black market USD rate is four times higher than the official one, will negatively affect the NGO community.

There is no Government fund to support civil society organizations. There were a few cases when the local government attempted to support local NGOs through in-kind contributions, labor, and limited financial support. For example, local authorities provided construction materials for a school built by Tajik refugees in Kerki. Local authorities provided financial and in-kind support a summer camp initiated by *Mercy, Health and Family* NGO in Ovadan, Bizmein. The Ministry of Nature Protection provided transportation, space

and facilities to *Eco Center* for ecological marathons.

Some NGOs (e.g., *Umit* and *Arma*) collect membership fees, but they are not sufficient to provide financial sustainability of organizations. Most NGOs passed trainings in Financial Management, but still only few submit regular internal audits and publish financial reports. There is no clear understanding of the importance of a sound financial management. However, a lack of donors makes NGO diversify their fund-raising and attract sources other than grants.

**ADVOCACY: 6.1**

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There was significant improvement in cooperation with the local government. Local officials regard NGOs as important community development institutions and incor-

ADVOCACY	
2003	6.1
2002	6.1
2001	6.3
2000	6.3
1999	6.5

porate some of their leaders into governmental structures. Leaders of three NGOs, supported by USAID, were recently elected to major positions in parliament, trade unions,

and local-level educational departments. USAID has been working with these NGOs over the past few years to improve their leadership skills and to promote civil society values. However, success of social partnerships to a great extent depends on the personalities in the government, and there were cases when cooperation failed with new people entering government positions. Regional local authorities appear to be more favorable towards NGOs (e.g., authorities in Kushka who requested USAID to take part in the development of the region).

There were some endeavors to advocate at the local level. NGO *Bosfor* organized a number of round tables on the Pension Provision Law with participation of the Ministry of Welfare to advocate for changes in the existing legislation. Because of a repressive national government and insufficient experience in advocacy, there were no attempts to advocate at the national level or create coalitions to lobby on behalf of NGOs. However some NGOs tried to cooperate with ministries to work on specific legislation. The *Eco Center* that includes 12 ecological organizations worked closely with the Ministry of Nature protection on the national environmental policy. The *Association of Disabled People of Turkmenistan* was involved in developing a database with information about needs, skills and geographic location of its members. Three members were offered jobs by the Ministry of Social Welfare after being identified through the database. The Ministry requested additional information about

## 2003 NGO Sustainability Index

how they can incorporate the database into their operations.

Nevertheless, the environment was mostly restrictive and negative towards NGOs especially those that are actively engaged in human rights. Farid Tugbatullin, a prominent NGO leader, was sentenced to a few years in prison for attend-

ing a conference in Moscow. He was released later this year after unprecedented pressure from the international community. The Institute for Democracy and Human Rights under the President permanently closed its NGO resource center originally funded by foreign donors. The overall situation may deteriorate as the new NGO law is implemented.

### SERVICE PROVISION: 4.8

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Although the majority of the civil society organizations are not registered, they continued to provide decent services to their constituents. Diversification of services increased in comparison with last year. Whereas NGOs activities had been usu-

SERVICE PROVISION	
2003	4.8
2002	5.0
2001	5.0
2000	5.3
1999	6.0

ally limited only by health care, education, environment protection and training, as well as water and communal utilities, more legal and psychological services became available including sensitive social areas, such as drugs, young criminals, and unemployment. For instance, the *Women's Recourse Center* provide psychological support to the juvenile criminals working closely with the Ministry of Foreign Affairs; *Nargiz Women's Club* cooperated with local police to implement a teenage drug prevention program; *Zemen Lalesy* NGO in Balkanabad implemented a project on promoting opportunities for unemployed people.

Stricter requirements were imposed on NGOs involved in educational activities. The Ministry of Education became reluctant to provision of educational licenses. *Junior Achievement* was not able to renew their license. The cost for an education license is approximately \$800-\$1000 and for medical services – \$2,000. NGOs are taxed for generating income through commercial activities.

Some local authorities still value services rendered by civil society groups as a great support in solving local social problems. In general such services meet the requirements of the region and targeted groups. Counterpart International with a grant from USAID offered training in Effective Participatory Community Appraisal methods to help NGOs to identify the needs of communities before the NGO applies for grant. Growing opportunities for service provision based on good partnerships with regional authorities led to an increase in the quality and range of services.

**INFRASTRUCTURE: 5.0**

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The USAID-funded Network of Civil Society Support centers grew and currently consists of four centers. The services available for NGOs include information

<b>INFRASTRUCTURE</b>	
2003	5.0
2002	5.2
2001	5.5
2000	5.7
1999	6.5

support, internet access, project consultancy services, trainings, and libraries. It is expected that the centers will soon obtain trained

lawyers to provide legal consultations to NGOs. Many NGOs were able to switch to a new USAID-funded internet system and are able to receive efficient internet services. The centers are the only place to obtain information for numerous groups that do not possess computer equipment.

The Ministry of Telecommunication recently required Counterpart International to pay in US dollars for Internet services provision and temporarily shut off Counterpart’s internet access. Only strong negotiation efforts helped resolve the issue.

There are several NGOs providing services to the other organizations (e.g., *Eco Sodruzhestvo* in Ashgabat, *Eco Club* in Dashoguz, *Umut* and *Zolotoy Vek* in Turkmenbashi). There are qualified trainers available in the regions capable of providing trainings on different subjects, such as strategic planning, fundraising, advocacy, etc. More training courses are provided in Turkmen language. The number of the Intermediately Support organizations is very limited. There is more competition between leading NGOs, however there is also more examples of information sharing, meetings, and round tables. NGOs cooperate with each other around certain problems (e.g., the *Women’s Resources Center* cooperated with *Hemayat* NGO on women domestic violence). Due to reasons outlined above, cooperation with the business is weak.

**PUBLIC IMAGE: 5.9**

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Public image of NGOs remained very

<b>PUBLIC IMAGE</b>	
2003	5.9
2002	6.0
2001	6.0
2000	6.2
1999	7.0

negative at the national level, NGOs being regarded as a “dangerous political power creating negative image of the country.” The Committee for National

Security (KNB, the successor to KGB) keeps strict control over NGOs by receiving information, visiting to organizations, and interviewing their members. The KNB expects that the new NGO Law will help close down several NGOs.

However at the local level, a lack of funds forces local governments to value the NGOs’ contribution into community infrastructure development. Some local officials view NGO activists as good assets to the region’s development and even promote them to government positions. Yet a stereotype of NGOs as people “begging for money” is still common in Turkmenistan. This is partially because of a lack of information as many NGOs do not possess a good capacity to do effective public relations.

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Connections between mass media and NGOs remain weak. Local newspapers rarely publish stories on NGOs' activi-

ties, and this is usually limited to environmental groups.