

Tajikistan

The Development Challenge: The war in Afghanistan and the on-going war on terrorism have placed Tajikistan in the spotlight as a key U.S. ally in this isolated region of the world. Long noted as the poorest country to gain independence from the former Soviet Union, Tajikistan is using increased donor assistance to address the pressing needs of its people. According to World Bank estimates, Tajikistan's total external debt is slightly over \$1.02 billion or 100% of GDP. While economic growth in 2001 was 10.2% and has held steady at 8.9% for the first nine months of 2002, 80% of the population still lives below the poverty line, with 18.6% of urban and 23.4% of rural population in extreme poverty. A recent national nutritional assessment found that 17.3% of children under five suffer from acute malnutrition, 4.2% from severe malnutrition and 37.9% showing chronic malnutrition. The agricultural sector, which employs over 60% of the population, is seriously constrained by the country's deteriorated irrigation infrastructure, a poorly executed program of land privatization, and a lack of quality inputs and financial capital for farmers. Thus far, the government has not been able to establish the rule of law sufficiently to attract the domestic and foreign investment needed to spur economic growth. Although the threat of international terrorism was diminished due to the involvement of Operation Enduring Freedom in the region, narcotics trafficking remained a significant problem, as heroin producers in Afghanistan used Tajikistan as a primary transit route for exports to the rest of the Soviet Union and Europe. Neighboring Uzbekistan continued to severely restrict movement across its common border, effectively shutting off much of Tajikistan's international trade. Despite the problems it faces, the Government of Tajikistan appears energized by increased support from the donor community and is moving on a broad front to make the reforms needed to complete the transition to a market economy. This includes legislative and regulatory reforms aimed at overhauling banking supervision, tax administration, commercial law codes, the judiciary, and health care provision and financing.

This reform agenda directly advances U.S. national interests in Tajikistan to stem drug trafficking and promote political and social stability through democratic and economic reform, improved quality of life, and productive capacity of people.

The USAID Program: The Program Data Sheets provided below cover five strategic objectives and two special objectives for which USAID is requesting funds. These five objectives promote reforms and training that foster the growth of small and medium enterprises, promote civil society and expand access to information, improve primary health care and prevent infectious disease, and encourage better use of the region's water and energy resources. Two proposed special objectives, made possible through supplemental funding, will support conflict prevention and reforms in basic education. Given the focus on Central Asia since the war on terrorism, the new special objective for conflict prevention will pull together USAID's on-going conflict prevention activities in order to highlight their contribution to broader U.S. objectives in the region. FY 2003 funds will be used to implement the program as currently planned and previously described in the FY 2002 Congressional Budget Justification, including cross-cutting objectives in youth, gender, anti-corruption, and rule of law. With the additional resources made available for Tajikistan in the FY 2002 supplemental appropriations, several new initiatives will be coming on-line this year, including a Central Asia Microfinance Alliance to increase microfinance lending in the region, a bank and tax/fiscal reform project, a local government program, a large maternal and child health care project, and new activities to address HIV/AIDS and drug abuse. Specific activities to be funded by FY 2003 and FY 2004 appropriations are described in the Program Data Sheets that follow.

Due to the war on terrorism and the potential for extremism and conflict in Central Asia, supplemental funding more than doubled U.S. assistance in FY 2002. USAID quickly responded to increased funding under a short time frame by expanding and initiating activities in Tajikistan in all sectors. USAID took advantage of the window of opportunity to begin implementing programs critical to economic reform. By the end of the fiscal year, for example, USAID began new activities to support fiscal reform, banking supervision, and microfinance development, in addition to expanding a number of ongoing activities, including accession to the World Trade Organization (WTO) and identifying and removing investment constraints. USAID also used supplemental funds to restore primary irrigation infrastructure; the delivery system under repair serves an area of approximately 20,000 hectares, with 60,000 beneficiaries. USAID

dedicated more resources to political party building and media programs, introduced a new democratic education activity, and reinforced an ongoing civic education program. A new local government initiative was also launched, and a newly-focused and expanded judicial and legal reform program will build on successes with the judiciary through USAID's commercial law program. In health, supplemental funds received in September will accelerate development of reforms, improve care of pregnant and delivering women and their newborns, prevent an increase in the drug use that is expected to fuel a rise in HIV infection, start condom social marketing to protect people vulnerable to HIV, and support a Demographic and Health Survey to measure the health status of Tajikistan citizens and prioritize future health programming. Finally, USAID used supplemental funding to reduce the threat of extremism and ethnic- or resource-based conflicts in Central Asia by working to strengthen local communities and to initiate a basic education program that will improve in-service teacher training, the quality and relevancy of curriculum, and school infrastructure, while increasing parent and community involvement in schools.

Other Program Elements: With funding from USAID's Child Survival Matching Grant program, we anticipate continuing a very successful primary and reproductive health care activity in the isolated and under-served Penjikent District, which is cut off from the rest of Tajikistan by the closed Uzbekistan border to the east and mountain passes to the north and south that are closed six months out of the year. The Farmer-to-Farmer Program financed through P.L. 480 and managed by the Office of Private and Voluntary Cooperation is active in Tajikistan. USAID's Office of Foreign Disaster Assistance (OFDA) funded three programs this past year: a food security program for drought-affected population, an emergency seed and fertilizer project for drought-affected farmers, and an assistance program for Afghan internally displaced people (IDPs) stranded on the Pyanj Islands in the neutral territory on the Tajik-Afghan border. OFDA is also undertaking a new regional earthquake preparedness project that will target Dushanbe, Tajikistan; Almaty, Kazakhstan; and Tashkent, Uzbekistan. The Departments of Commerce, Defense, Agriculture, and State (particularly through its Public Diplomacy portfolio) also manage programs complementary to USAID field activities in various sectors.

Other Donors: The United States Government is the largest bilateral donor, providing assistance through USAID, the State Department, USDA, and others. The second largest bilateral donor is Japan, which provides assistance for rehabilitation of the agricultural sector, and food security and poverty reduction programs through international NGOs, many of which are also USAID partners. The European Union supports a number of humanitarian programs through the Humanitarian Affairs Office ECHO and will soon begin implementation of a new Euro10 million, 2-3 year development program through Europaid. The EU may also undertake a new Euro10 million food security program. Other bilateral donors include Switzerland, Germany, Denmark, Canada, Norway, Austria, Sweden, and the United Kingdom. The long-established Swiss program is closely coordinated with the USAID effort, particularly in the areas of regional water programs, World Trade Organization accession, and judicial reform. Similarly, USAID has worked in close partnership with the ECHO humanitarian assistance program. The largest non-state donor is the Aga Khan Development Network which supports a number of economic development activities throughout the country. Multilateral donors include the World Bank (health reform, private sector development), the Asian Development Bank (ADB) (social service sector rehabilitation, transportation, irrigation, hydroelectric generation), Islamic Development Bank (road construction, energy sector rehabilitation, school and irrigation rehabilitation), and the European Bank for Reconstruction and Development (EBRD) (telecommunications and airport navigation). USAID works closely with the ADB and the World Bank in a number of areas, but particularly in microfinance, irrigation rehabilitation, and health care reform, and now in basic education. USAID, the ADB, the EBRD successfully negotiated a new Power Trade Relations Agreement between the governments of Tajikistan and Uzbekistan, a key condition to an ADB loan. Implementation of the agreement will reduce electricity costs, improve the use of the region's water resources, and help reduce the potential for conflict over water and energy resources.

**Tajikistan
PROGRAM SUMMARY**

(in thousands of dollars)

Accounts	FY 2001 Actual	FY 2002 Actual	FY 2003 Prior Request	FY 2004 Request
FREEDOM Support Act	16,805	19,372	22,500	35,000
Supplemental - FSA/NIS	0	37,000	0	0
PL 480 Title II	12,631	26,227	0	10,400
Total Program Funds	29,436	82,599	22,500	45,400

STRATEGIC OBJECTIVE SUMMARY

119-0131 Small and Medium Sized Enterprises				
FSA	2,000	8,950	5,090	6,149
119-0161 Water and Energy				
FSA	2,530	5,350	1,400	2,398
119-0211 Democratic Culture and Institutions				
FSA	3,150	4,500	3,495	5,645
119-0240 Conflict Prevention				
FSA	0	0	0	5,139
119-0320 Health and Population				
FSA	1,500	7,250	3,450	5,910
119-0340 Strengthened Basic Education Sector				
FSA	0	0	0	2,495
119-0420 Cross-Cutting Programs				
FSA	5,050	14,448	4,415	2,484
TRANSFER				
FSA	2,575	15,874	4,650	4,780

SO 119-0131 includes \$6,250 of FY 2002 Supplemental - FSA/NIS.

SO 119-0161 includes \$4,250 of FY 2002 Supplemental - FSA/NIS.

SO 119-0211 includes \$2,000 of FY 2002 Supplemental - FSA/NIS.

SO 119-0320 includes \$4,750 of FY 2002 Supplemental - FSA/NIS.

SO 119-0420 includes \$8,750 of FY 2002 Supplemental - FSA/NIS.

TRANSFER includes \$11,000 of FY 2002 Supplemental - FSA/NIS.

Mission Director,
George Deikun

Data Sheet

USAID Mission:	Tajikistan
Program Title:	Small and Medium Sized Enterprises
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	119-0131
Status:	Continuing
Proposed FY 2003 Obligation:	\$5,090,000 FSA
Prior Year Unobligated:	\$1,701,000 FSA
Proposed FY 2004 Obligation:	\$6,149,000 FSA
Year of Initial Obligation:	2000
Estimated Completion Date:	2005

Summary: USAID's program to improve the environment for the growth of small and medium sized enterprises (SMEs) in Tajikistan has three main components: 1) training present and future entrepreneurs in modern business skills and making business information more available; 2) providing more access to capital by enhancing lender knowledge, strengthening financial institutions, and creating alternative sources of capital; and 3) advocating for and training in more transparent, systematic implementation of laws and regulations that improve the environment for SMEs. Prior year unobligated funds include \$1,616,882 of FY 2002 Supplemental - FSA/NIS.

Inputs, Outputs, Activities:

FY 2003 Program:

Business skills and information (\$1,448,000 FSA). With the help of FY 2002 supplemental funds, Junior Achievement and USAID's EdNet will give students greater access to information and opportunities to succeed in the free market by providing teaching materials, training, research opportunities, and scholarships. The supplemental also funds the Regional Trade Promotion (RTP) Activity. USAID will also offer targeted business skills and training courses to entrepreneurs and business managers. Work in accounting reform, business advisory services, advocacy group development, and professional associations will continue. USAID's principal partners include: Pragma Corporation (prime), Carana Corporation (prime), MBA Enterprise Corps (sub), and Junior Achievement International (sub).

Access to capital (\$942,000 FSA). Supplemental funds enabled the start up of a new program to improve bank supervision and regulation, as well as provide technical assistance and some financial support to develop a strong microfinance sector. USAID will also sponsor the Small Enterprise Assistance Fund's equity, debt, and leasing investments. USAID's principal partners include: ACDI/VOCA (prime), Abt Associates (prime), BearingPoint (sub), and Small Enterprise Assistance Fund (prime).

Implementation of laws and regulations (\$2,700,000 FSA). Supplemental funds enabled the start up of a new program to support improved tax policy and administration. Supplemental funds will enable us to expand technical assistance and training on trade issues and customs reform and modernization to help streamline the legal and regulatory environment, to assist the government with the World Trade Organization (WTO) accession process and to expand technical assistance and training to foster a modern, informed judiciary. USAID's principal partners include: Pragma Corporation (prime), ARD/Checchi (prime) Abt Associates (prime), and Bearing Point (sub).

FY 2004 Program:

Business skills and information (\$1,415,000 FSA). USAID will provide technical assistance and training to entrepreneurs seeking to strengthen their business skills and practices, and assistance in business association development will foster greater advocacy for reform. Through USAID's EdNet program,

training, teaching materials, research opportunities, and scholarships will be made available to Tajikistani university professors and administrators.

Access to capital (\$1,904,000 FSA). Efforts will continue to help the National Bank develop regulatory and supervision systems and to improve the banking practices of the commercial banking sector. Additional support for microfinance will promote the expansion of microlending programs by building capacity of microfinance institutions, and providing additional loan capital, so that entrepreneurs, primarily women, may expand their businesses.

Implementation of laws and regulations (\$2,830,000 FSA). Assistance will continue to support WTO accession, trade and customs reform, modernization of standards, and the dismantling of barriers to investment. Supplemental funding will continue to support technical assistance, and training and purchase of computers to help the government establish more transparent and efficient tax administration. Support will also be provided to improve and simplify the tax code to reduce the burden on business and foster greater tax compliance. Technical assistance and training for judicial and commercial law reform will continue. Funds permitting, new activities in land reform and public sector accounting could be initiated.

Performance and Results: Supplemental funding more than doubled U.S. assistance to Tajikistan during FY 2002, and USAID significantly expanded its portfolio. By the end of FY 2002, USAID had started new activities to support fiscal reform, banking supervision, and microfinance development, and had expanded a number of ongoing activities. One of the key results, USAID helped institutionalize a merit-based system of judicial selection, retention, and promotion. Already a significant number of sitting judges (approximately 41 to date) resigned or have been removed from the bench and replaced with more qualified judges. USAID trained 2,000 businesspeople throughout Tajikistan and, using the newly developed regional internet-based trade network, USAID business advisors helped firms increase their competitive advantage and establish new trade links. For example, one Dushanbe firm took advantage of USAID's services to complete a \$22,000 import deal on macaroni drying equipment. USAID technical assistance in accounting reform led to Tajikistan's signing of a Memorandum of Understanding (MOU) with USAID that incorporates lessons learned and best practices in accounting reform. The MOU stipulates that the government will fully adopt national standards of accounting by the end of 2003 that are fully compliant with International Accounting Standards (IAS), further strengthening Tajik business' capacity to interact with outside markets. USAID's Education Network trained 117 other professors in the EdNet business and economics program. As a result of EdNet activities, over 3,500 students in Tajikistan have been exposed to modern economics and business education. This builds future business leadership with market-based skills. In cooperation with ACDI/VOCA, USAID established a microfinance institution in the politically volatile Ferghana Valley Region, where the number of clients has already climbed to 343 (72% women) with \$65,000 in loans disbursed. Over the next year, we will continue to build on these achievements and significantly expand our portfolio in key areas such as fiscal reform, banking, and microfinance.

Entrepreneurs who are being introduced to a wide array of modern business methods and practices will provide the basis for economic recovery in Tajikistan. By the end of the objective, it is expected that microfinance, trade promotion, a modern legal and regulatory environment, the adoption of international accounting standards, and accession to the WTO will expand entrepreneurial opportunities.

US Financing in Thousands of Dollars

Tajikistan

119-0131 Small and Medium Sized Enterprises	FSA
Through September 30, 2001	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2002*	
Obligations	7,279
Expenditures	335
Through September 30, 2002	
Obligations	7,279
Expenditures	335
Unliquidated	6,944
Prior Year Unobligated Funds**	
Obligations	1,701
Planned Fiscal Year 2003 NOA	
Obligations	5,090
Total Planned Fiscal Year 2003	
Obligations	6,791
Proposed Fiscal Year 2004 NOA	
Obligations	6,149
Future Obligations	0
Est. Total Cost	20,219

Fiscal Year 2002 includes \$4.633m of FY 2002 Supplemental - FSA/NIS.

**Prior Year Unobligated Funds includes \$1.617m of FY 2002 Supplemental - FSA/NIS.

Data Sheet

USAID Mission:	Tajikistan
Program Title:	Water and Energy
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	119-0161
Status:	Continuing
Proposed FY 2003 Obligation:	\$1,400,000 FSA
Prior Year Unobligated:	\$1,094,000 FSA
Proposed FY 2004 Obligation:	\$2,398,000 FSA
Year of Initial Obligation:	2000
Estimated Completion Date:	2005

Summary: An important source of water for the region, Tajikistan's ability to manage water resources is the key to meeting its own agricultural production and electric energy development needs, and to regional cooperation on water and energy resources. Due to past security concerns and limited access to the country, USAID water resources and energy activities in Tajikistan are relatively new. Until mid-2002, USAID was only able to provide training for Tajik participants at locations outside the country. Major components of the USAID program are: 1) training for water, energy, and meteorological personnel and their managers; 2) the installation of sustainable, affordable models demonstrating energy efficiency, improved water distribution and control, and more efficient technologies and management techniques; and 3) improving the policy and regulatory framework, especially in hydropower and transboundary water management.

Inputs, Outputs, Activities:

FY 2003 Program:

Water (\$1,120,000 FSA). USAID will focus on improving the capability of the Tajik entities responsible for water resources to collect, analyze, and transmit critical water data that will lead to more accurate and appropriate water allocations and improved efficiencies in water use. Assistance will take the form of improved equipment and training for the modeling of water runoff from snowmelt that will provide planners and managers with more timely and accurate data. Two meteorological stations will be installed in critical high altitude regions and a third in Dushanbe to collect water and weather data. USAID will also install an improved communication system that will facilitate the regional flow of information between the region's water managers. This activity will also provide a stronger, more objective base of information for Tajik policy-makers whose participation is important to future transboundary water and energy agreements. USAID will continue irrigation rehabilitation begun with supplemental funding. As part of this activity, USAID will work with Tajikistan's Ministry of Water Amelioration to rehabilitate priority water distribution structures, including key pump stations. Improvements in irrigation will demonstrate better on-farm irrigation and water management practices at the district level through specific technical upgrades to a water user district (including infrastructure repairs to irrigation canals, some basic automation and communication, and associated training on equipment and improved water management practices). PA Consulting Group is the principal implementer.

Energy (\$280,000 FSA). USAID's heating efficiency demonstration activities in Dushanbe will continue, featuring the installation of cost-effective automated temperature controls that regulate building temperature based on outside temperatures and turn off automatically at times when buildings are not in use. The cost of the technology is expected to pay for itself in saved heating costs by the end of the year. PA Consulting Group is the principal implementer.

FY 2004 Program:

Water (\$1,898,000 FSA). USAID's technical assistance and training associated with installation of an improved communication system for collecting, transmitting, and using water resources and weather data

will continue. In turn, this data will provide Tajik decision makers with an informed foundation for discussion of water management issues and we expect Tajikistan will participate in upcoming transboundary water and energy agreements. USAID will continue improvements to on-farm irrigation.

Energy (\$500,000 FSA). Five additional public buildings in Dushanbe will become USAID demonstration models for heating efficiency. These demonstrations will open windows of opportunity to engage the Tajik government on energy policy issues, such as the development of a National Energy Plan to consider energy supply and use, and potential activities that will stimulate energy commercialization and improve electric and heating service to customers of Tajik utilities.

Performance and Results: An easing of security restrictions, along with supplemental funding accelerated program implementation in water resources management. With supplemental and performance funds, USAID launched a new irrigation system rehabilitation program to address extensive deterioration in the water distribution system that had been left totally inoperable. Training programs are already underway for new automated systems, and new pumps and motors are on order for four irrigation pumping stations in southwestern Tajikistan. The delivery system under repair serves an area of approximately 20,000 hectares, with 60,000 beneficiaries, and is being implemented with the close participation of the Ministry of Agriculture and Water. To improve the collection of vital water and weather data, USAID installed seven weather and river flow stations, which are being linked into a network to collect and analyze the data to make weather predictions and decisions on water allocations. Tajik agencies have already begun collecting and processing data and will use the information to facilitate water and energy agreements with its neighbors. In addition, a unified Central Asian communication system will, for the first time, enable the distribution of critical, real-time water information between all countries in the region. In cooperation with the Canadian International Development Agency, USAID sponsored several water resources training courses in which Tajik water technical personnel and managers became better acquainted with international water law, transboundary water management, and integrated water practices to improve irrigation efficiency.

USAID's facilitation of discussions between the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), and the governments of Tajikistan and Uzbekistan resulted in a new Power Trade Relations Agreement, which is a key condition to an ADB loan. Implementation of the agreement will reduce electricity costs, improve the use of the region's water resources, and help reduce potential conflicts over water and energy resources. This is just the beginning of Tajikistan's effort to reform its electric sector. USAID's innovative heating efficiency demonstrations operate in three pilot schools and one orphanage in Dushanbe, serving some 4,500 children. The retrofitted heating system will increase heating efficiency and decrease losses through temperature regulation based on outside temperatures and automatic switches that close down heat when buildings are not in use. These upgrades are expected to pay for themselves within their first year of use.

By the completion date of this activity, water managers will have the necessary tools, systems, and training to allow them to collect, communicate, and process water resource and related weather and snowmelt data. This will result in improved allocations and overall management of water resources. The information generated by the system will help mitigate potential conflict over energy and water with Tajikistan's neighbors because important water and energy agreements will be based on objective data and standards.

US Financing in Thousands of Dollars

Tajikistan

119-0161 Water and Energy	FSA
Through September 30, 2001	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2002*	
Obligations	6,446
Expenditures	466
Through September 30, 2002	
Obligations	6,446
Expenditures	466
Unliquidated	5,980
Prior Year Unobligated Funds	
Obligations	1,094
Planned Fiscal Year 2003 NOA	
Obligations	1,400
Total Planned Fiscal Year 2003	
Obligations	2,494
Proposed Fiscal Year 2004 NOA	
Obligations	2,398
Future Obligations	0
Est. Total Cost	11,338

*Fiscal Year 2002 includes \$4.25m of FY 2002 Supplemental - FSA/NIS.

Data Sheet

USAID Mission:	Tajikistan
Program Title:	Democratic Culture and Institutions
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	119-0211
Status:	Continuing
Proposed FY 2003 Obligation:	\$3,495,000 FSA
Prior Year Unobligated:	\$1,439,000 FSA
Proposed FY 2004 Obligation:	\$5,645,000 FSA
Year of Initial Obligation:	2001
Estimated Completion Date:	2005

Summary: USAID is helping to create stronger and sustainable civic organizations and accountable public institutions; increasing availability of information on civic rights and domestic public issues; and increasing opportunities for citizen participation in governance. Prior year unobligated funds include \$1,300,000 of FY 2002 Supplemental - FSA/NIS.

Inputs, Outputs, Activities:

FY 2003 Program:

Political process (\$1,382,000 FSA). USAID will train lawyers in human rights laws, establish a central source of legal information in Dushanbe for lawyers and judges, and disseminate legal information to rural areas through mini resource centers. Moot court competitions will improve law students' advocacy skills. USAID will provide training and technical assistance on modern municipal management techniques, greater transparency, and citizen participation in two pilot municipalities. Parliamentary assistance will improve information management and research capabilities so that lawmakers are better informed. USAID will not continue funding political party assistance after program completion this year so as not to duplicate similar efforts funded by the National Endowment for Democracy. Principal implementing partners are: the American Bar Association's Central and East European Law Initiative (ABA/CEELI), ARD Checchi, Urban Institute, Soros, and others to be determined through competition.

Civil society (\$1,090,000 FSA). USAID will train 1,100 Tajik NGOs to increase sustainability through advocacy and strategic planning. Training, grants, and technical assistance will strengthen at least five civil society support centers which provide training, technical support, information, networking, and professional services to non-governmental organizations (NGOs) and associations. At least 35 grants will support community advocacy and national-level NGOs. Principal implementing partners are: Counterpart (grantee) and the International Center for Not-for-Profit Law (ICNL) (sub-grantee), and others to be determined through competition.

Media & information (\$1,023,000 FSA). To address the problem of trafficking in persons, USAID's anti-trafficking activity will focus on prevention and protection of victims. A pilot civics education course for ten secondary schools will be initiated in four regions, reaching 600 students, accompanied by teacher training courses and a teacher's manual. USAID will develop more democratic teaching methods in schools, increase the involvement of parents in the education process, and seek to increase student activism. Approximately 20 classes will be involved in year one of the program. USAID will continue training for media professionals to enable them to create an independent and economically viable press that serves the information needs of its readers. Training seminars in basic journalism, TV and radio production, media management, legal issues, marketing, and ad sales will be held. A production fund will allow local stations to produce original programming. Lawyers will draft and analyze proposed legislation, publish commentary on legal issues facing media, advise legislators, and provide legal consultation to media and journalists. The production of Nabzeh Zindagi (The Pulse of Life), the only Tajik-language program to bring together information among all the regions of the country, will continue with 18

participating stations and a potential audience of one million. Principal implementing partners are: Internews (grantee), the International Center for Journalists (sub-grantee), Soros Foundation, and others to be determined through competition.

FY 2004 Program:

Political process (\$2,090,000 FSA). Local government training/techniques developed in pilot cities will spread to other regions. If the national policy and legal environment continue to improve, USAID may support a broader range of technical assistance to cities and other decentralization efforts. Training of lawyers, judges, and law students; clinical education programs at local law institutes; and the adoption and enforcement of a code of ethics for legal professionals will continue.

Civil society (\$1,862,000 FSA). The civil society program will continue creating strong, sustainable non-governmental organizations by localizing civil society support centers throughout Tajikistan. USAID may place greater emphasis on supporting community and national advocacy campaigns.

Media & information (\$1,693,000 FSA). USAID may pilot a second volume of the civic education textbook and will continue the early childhood education program. After year two, the program will be implemented in over 80 classrooms throughout the country, serving over 2,200 children. The media program will continue journalists' skills development, a production fund, and legal assistance.

Performance and Results: With supplemental funds, USAID increased resources for political party building and media programs, and a new local government initiative was launched. USAID introduced a new democratic education activity and reinforced ongoing civic education programs with additional resources. These funds also reinforced the judicial and legal reform program, building on successes of the commercial law program. USAID helped Asia-Plus become the first independent radio station broadcasting in the Tajik capital. Following multiple instances of government refusal to grant Asia-Plus a license, USAID provided the station with technical and legal assistance and widely publicized the matter to win international and domestic support. USAID-funded media law experts helped draft a media law currently being considered by the government. Three hundred copies of six Tajik-language texts were distributed on television management, reporting, ethics, and national minorities. Universities and journalists around the country used USAID-published textbooks on newspaper design and television management. Tajik NGOs improved in all categories (the NGO legal environment, organizational capacity, financial viability, advocacy skills, service provision, NGO support services, and public image) over the past year. This can be attributed to an increased presence by USAID and other donors in Tajikistan (facilitated by the improved security situation); renewed interest in engaging Tajik NGOs in reconstruction and reconciliation work; and the maturation of "first generation" Tajik NGOs. The most important change for civil society was the government's recognition of the NGO sector. The main catalyst for this change was Tajik President's participation in a USAID-sponsored NGO Conference on Social Partnerships in June 2002, which brought together several hundred NGO activists, international organizations, and a government delegation led by the president. Part I of a civics textbook for 9th graders and teachers' manual were successfully tested with focus groups of teachers and students. The Ministry of Education approved the piloting of the civic education course for secondary schools. This year, more than 400 students participated in extra-curricular civic activities such as student local government days, democracy summer camps, and student action committees and are now more engaged in political and social issues affecting their country.

By program's end, there will be stronger and more sustainable civic organizations, increased availability of information on civic rights and domestic public issues, enhanced opportunities for citizen participation in governance, and more effective and accountable public institutions.

US Financing in Thousands of Dollars

Tajikistan

119-0211 Democratic Culture and Institutions	FSA
Through September 30, 2001	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2002*	
Obligations	3,750
Expenditures	627
Through September 30, 2002	
Obligations	3,750
Expenditures	627
Unliquidated	3,123
Prior Year Unobligated Funds**	
Obligations	1,439
Planned Fiscal Year 2003 NOA	
Obligations	3,495
Total Planned Fiscal Year 2003	
Obligations	4,934
Proposed Fiscal Year 2004 NOA	
Obligations	5,645
Future Obligations	0
Est. Total Cost	14,329

*Fiscal Year 2002 includes \$700,000 of FY 2002 Supplemental - FSA/NIS.

**Prior Year Unobligated Funds includes \$1.3m of FY 2002 Supplemental - FSA/NIS.

Data Sheet

USAID Mission:	Tajikistan
Program Title:	Conflict Prevention
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	119-0240
Status:	New
Proposed FY 2003 Obligation:	\$0
Prior Year Unobligated:	\$0
Proposed FY 2004 Obligation:	\$5,139,000 FSA
Year of Initial Obligation:	2004
Estimated Completion Date:	2005

Summary: Conflict prevention strengthens vulnerable communities and eases local tensions through public dialogue and improvement of small-scale social and physical infrastructure. USAID addresses both the root and immediate causes of potential conflict through its conflict prevention objective. Since many conflicts in Central Asia have arisen at the community (rather than international) level and our ability to change structural factors at the national level is limited, our conflict prevention strategy focuses on giving citizens opportunities to participate in decisions that affect their communities, improve living standards, and provide skills and experience that will diminish the potential for conflict. Community action programs, targeted where risks of communal or religious conflicts are greatest, are designed to increase citizen participation in community decision-making and local government, and contribute to mitigating sources of conflict by promoting economic recovery and inter-ethnic cooperation. Conflict prevention activities began in FY 2002 under the Mission's cross cutting program. As the conflict program will become a separate strategic objective in FY 2004, it is being notified separately for FY 2004 funding.

Inputs, Outputs, Activities:

FY 2003 Program:

Conflict prevention (\$0 FSA): As FY 2003 will be the transition year for the establishment of a separate strategic objective for conflict prevention, funding for the FY 2003 program activities is being requested under the Mission's cross-cutting programs, and is reported in the separate program data sheet for cross-cutting program. The principal partners in Tajikistan are Mercy Corps, the Aga Khan Foundation, and the United Nations Development Program.

FY 2004 Program:

Conflict Prevention (\$5,139,000 FSA): Conflict prevention activities will continue in the initial 72 communities in Khatlon Oblast and in the Ferghana and Rasht Valleys and in the expanded program identified in FY 2003 that focuses on rural and urban settings. Coordination will continue with partners to emphasize issues of unemployment, human rights, and cultural awareness.

Performance and Results: Rapid obligation of supplemental funds allowed a start-up of conflict prevention activities in 72 communities, with approximately 30,000 beneficiaries, in the Ferghana and Rasht Valleys and Khatlon Oblast to identify and overcome sources of conflict. Groups from cross-sections of the community are formed to identify and prioritize sources of tension and work together to rectify them. A good example of this is the rehabilitation of a school shared by a village in Tajikistan with its neighboring village in Kyrgyzstan. Multi-community social events, such as sporting leagues and traditional festivals, have shown impact, given that much tension among communities is generated by simple ignorance of their neighbors. Results indicators, which report on infrastructure projects completed; number of beneficiaries; reduced tension and increased community capacity to identify and solve problems, have been developed. Data collection will begin in late 2002. By the end of the conflict prevention program in 2005, at least 25,000 people will directly benefit from small-scale, community driven projects. More importantly, the community strengthening component of this activity will build the

capacity for communities not only to identify and solve basic community problems, but also to address local conflicts before they become dangerous.

US Financing in Thousands of Dollars

Tajikistan

119-0240 Conflict Prevention	FSA
Through September 30, 2001	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2002	
Obligations	0
Expenditures	0
Through September 30, 2002	
Obligations	0
Expenditures	0
Unliquidated	0
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2003 NOA	
Obligations	0
Total Planned Fiscal Year 2003	
Obligations	0
Proposed Fiscal Year 2004 NOA	
Obligations	5,139
Future Obligations	0
Est. Total Cost	5,139

Data Sheet

USAID Mission:	Tajikistan
Program Title:	Health and Population
Pillar:	Global Health
Strategic Objective:	119-0320
Status:	Continuing
Proposed FY 2003 Obligation:	\$3,450,000 FSA
Prior Year Unobligated:	\$2,285,000 FSA
Proposed FY 2004 Obligation:	\$5,910,000 FSA
Year of Initial Obligation:	2001
Estimated Completion Date:	2005

Summary: USAID's quality primary health care (PHC) objective is creating a higher-quality, user-friendly, more cost-effective PHC system in pilot sites through retraining of doctors and nurses in family medicine and incentive-based provider payment systems; helping health sector NGOs to strengthen their organizations, financial viability, and advocacy skills; improving care of pregnant women and their children; preventing and treating child malnutrition; malaria control efforts and prevention through education; controlling tuberculosis (TB) by providing in-service training to doctors and laboratory specialists in accurate diagnosis and treatment and improving the monitoring system of TB laboratories and facilities; and containing the concentrated HIV epidemic among injecting drug users by increasing NGO-led preventive programs, marketing condoms, and introducing a surveillance system to document the HIV level among high risk groups. Prior year unobligated funds include \$2,011,000 of FY 2002 Supplemental - FSA/NIS.

Inputs, Outputs, Activities:

FY 2003 Program:

Quality primary health care (\$1,077,000 FSA). USAID will train local health sector NGOs and award them small grants to identify and implement health projects with communities. Family doctor trainers will be prepared for oblast-level training centers, more doctors will receive family medicine training, and courses in Integrated Management of Childhood Illnesses (IMCI) will be started. A new activity related to drug quality, availability and pricing is being designed. The American International Health Alliance's (AIHA) first five-year cooperative agreement is ending. USAID/W has completed a follow-on agreement and USAID is currently discussing a next partnership for Tajikistan. Per capita financing systems for PHC practices in pilot sites will be initiated. Principal implementing partners are: Abt Associates (prime), AIHA (prime), and Counterpart Consortium (prime).

Infectious disease control (\$940,000 FSA). USAID will continue training of health staff on the Directly Observed Treatment Short-course (DOTS) approach in pilot sites. The monitoring system for laboratories and facilities will be strengthened. The Centers for Disease Control and Prevention (CDC) will establish a regional training program on blood safety that will equip one virology lab in Tajikistan and train specialists on laboratory quality control. USAID will continue malaria control activities in Tajikistan, and will respond to expanding malaria by developing a regional approach to control. One Tajikistani will be sponsored for the two-year Applied Epidemiology Program at the Kazakhstan School of Public Health. Principal implementing partners are: CDC (prime), Medical Emergency Relief International (MERLIN) (prime) and Project Hope (prime).

HIV/AIDS prevention (\$613,000 FSA). A study of HIV seroprevalence among high risk groups will be conducted and specialists will be trained in modern surveillance methods. HIV/AIDS NGOs will offer clients basic medical care, free condoms, and referrals to social workers, sexually transmitted infection (STI) clinics, HIV testing sites, and legal services. Condoms will be marketed to vulnerable young adults. A drug prevention program will be initiated. Principal implementing partners are: CDC (prime), Johns

Hopkins University (prime), Population Services International (PSI) (prime), and Soros Foundation (prime).

Maternal & child health (\$820,000 FSA). USAID will train health staff to better manage obstetric, pre-natal, and reproductive health care and initiate training on management of common but serious childhood illnesses in Khatlon Oblast. Prenatal care provision, screening of children and referral for malnutrition, and school health classes will continue at rural PHC clinics near the Afghan border. USAID's cross-border Sports and Health Education Project will be extended to include Tajikistani communities. Tajikistan's first Demographic and Health Survey will be conducted. Principal implementing partners are: Abt Associates (prime), Action Against Hunger (AAH) (prime), MACRO International (prime), and Project Hope (prime).

FY 2004 Program:

Quality primary health care (\$2,543,000 FSA). A drug information center to ensure access to and information about reasonably priced quality drugs will continue. USAID will continue small grant support to health sector NGOs and partnership work. Family medicine and IMCI training, as well as health care financing activities, will be expanded. USAID will extend the medical education program and the new PHC agreement to Tajikistan.

Infectious disease control (\$885,000 FSA). USAID will expand TB control efforts and blood safety training to new sites. USAID will continue malaria control and the Applied Epidemiology Program.

HIV/AIDS prevention (\$1,005,000 FSA). USAID will continue establishing HIV/AIDS surveillance of high-risk groups, will integrate this program with other infectious disease surveillance activities, and continue to improve laboratory diagnostic quality. USAID will continue funding HIV/AIDS NGOs and work to improve their preventive programs. USAID will expand the drug prevention program and extend condom social marketing to additional sites of high HIV prevalence.

Maternal & child health (\$1,477,000 FSA). USAID will expand training within pilot oblasts for physicians and nurses to better manage obstetric and pre-natal care and to treat serious childhood illnesses. Prenatal care provision and screening and referral of children for malnutrition, and school health classes will continue at rural PHC clinics near the Afghan border. USAID will continue and expand its cross-border Sports and Health Education Project to more Tajikistani communities in border areas.

Performance and Results: USAID referred 331 severely malnourished children for treatment at hospital-based therapeutic feeding centers. In addition, 2,377 moderately malnourished children received supplementary foods. Women in Gorno-Badakhshan Oblast improved their knowledge of contraceptives (from 73% to 87%) and 39% are now using modern methods. Beginning steps in training and the establishment of infrastructure to control malaria are in place. More people (42% vs. 22% last year) know how to prevent malaria and visit laboratories for diagnosis that will enable proper selection of medication (81% vs. 53% last year). TB pilots have been established, and results from nationwide monitoring indicate that the average scores on minimum standards checklists were 86.6% for labs (65%-target) and 68.5% for facilities (baseline). Four grants were awarded to HIV/AIDS NGOs that work on prevention among high risk groups, including prisoners. Continued support in the health sector will help manage and prevent the spread of infectious disease, improve prenatal care, and reduce child malnutrition. Systemic reform should improve the quality and availability of primary health care and make resource use more efficient.

US Financing in Thousands of Dollars

Tajikistan

119-0320 Health and Population	FSA
Through September 30, 2001	
Obligations	3,658
Expenditures	419
Unliquidated	3,239
Fiscal Year 2002*	
Obligations	5,401
Expenditures	3,484
Through September 30, 2002	
Obligations	9,059
Expenditures	3,903
Unliquidated	5,156
Prior Year Unobligated Funds**	
Obligations	2,285
Planned Fiscal Year 2003 NOA	
Obligations	3,450
Total Planned Fiscal Year 2003	
Obligations	5,735
Proposed Fiscal Year 2004 NOA	
Obligations	5,910
Future Obligations	0
Est. Total Cost	20,704

*Fiscal Year 2002 includes \$2.739m of FY 2002 Supplemental - FSA/NIS.

**Prior Year Unobligated Funds includes \$2.011m of FY 2002 Supplemental - FSA/NIS.

Data Sheet

USAID Mission:	Tajikistan
Program Title:	Strengthened Basic Education Sector
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	119-0340
Status:	New
Proposed FY 2003 Obligation:	\$0
Prior Year Unobligated:	\$0
Proposed FY 2004 Obligation:	\$2,495,000 FSA
Year of Initial Obligation:	2004
Estimated Completion Date:	2005

Summary: The Basic Education Sector Strengthening Program will begin activities in January 2003 under the cross-cutting program. Beginning in FY 2004 the education program will be funded as a separate strategic objective, for which this program data sheet constitutes initial notification as a separate program. The basic education program will improve in-service teacher training; improve the quality and relevancy of curriculum; increase parent and community involvement in schools; strengthen institutional, management and technical capacity at all levels of the educational system; and improve school infrastructure. In Tajikistan, the program will focus on grades 1-4 to maximize the program's impact on education for young children.

Inputs, Outputs, Activities:

FY 2003 Program:

Education (\$0 FSA). As FY 2003 will be the transition year for the establishment of a separate strategic objective for education, funding for the FY 2003 education program activities is being requested under the Mission's cross-cutting program, and is reported in the separate program data sheet for cross-cutting programs. The prime contractor is the Academy for Educational Development.

The Basic Education Program is structured to work at all levels of the system, with a targeted number of schools and communities selected as pilot sites to measure the impact of the full range of activities. Training of trainer models will be used to provide curriculum and methodological training to the maximum number of teachers. Capacity building at different levels of the system will develop support for the expansion of successful pilot activities to other areas in the future. Whenever possible, ongoing education activities (e.g. civic education, Street Law, Junior Achievement, Step by Step, Reading and Writing for Critical Thinking, and the health education component of the Sports and Health Education Program), which are conducted under other strategic objectives will be coordinated with the Basic Education pilot schools to ensure that these schools have access to these curriculum and methodology innovations. A component of the core agreement involves data collection on gender issues in schools, which could be used in the development of future activities designed to address gender issues in basic education.

FY 2004 Program:

Education (\$2,495,000 FSA). USAID will make improvements to in-service teacher training; the quality and relevancy of curriculum; parent and community involvement in schools; institutional, management and technical capacity at all levels of the educational system; and school infrastructure. Small grants may be given to local education NGOs. FY 2004 funds have been set aside for an assessment of the program. Funding for individual activities will be identified during the course of FY 2003.

Performance and Results: Supplemental funding allowed USAID to begin a program in the education sector. Performance indicators for the education program activities will be developed during the first three months of calendar year 2003, and data collection will begin in the summer of 2003.

US Financing in Thousands of Dollars

Tajikistan

119-0340 Strengthened Basic Education Sector	FSA
Through September 30, 2001	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2002	
Obligations	0
Expenditures	0
Through September 30, 2002	
Obligations	0
Expenditures	0
Unliquidated	0
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2003 NOA	
Obligations	0
Total Planned Fiscal Year 2003	
Obligations	0
Proposed Fiscal Year 2004 NOA	
Obligations	2,495
Future Obligations	0
Est. Total Cost	2,495

Data Sheet

USAID Mission:	Tajikistan
Program Title:	Cross-Cutting Programs
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	119-0420
Status:	Continuing
Proposed FY 2003 Obligation:	\$4,415,000 FSA
Prior Year Unobligated:	\$7,729,000 FSA
Proposed FY 2004 Obligation:	\$2,484,000 FSA
Year of Initial Obligation:	2001
Estimated Completion Date:	2005

Summary: USAID's cross-cutting program supports all strategic objectives. The five main components are: conflict prevention through public dialogue and small scale social physical infrastructure improvement in vulnerable communities; improving the quality of basic education through activities designed to increase completion rates, attendance rates, and satisfaction with schools on the part of parents, students, teachers, and officials in target areas; training in primary health care and the transition to democracy and a free-market economy; Eurasia Foundation sub-grants to strengthen NGOs; and program development support for cross-cutting evaluations, monitoring, designs, studies, technical assistance and program management assistance. Prior year unobligated funds include \$6,750,000 of FY 2002 Supplemental - FSA/NIS.

Inputs, Outputs, Activities:

FY 2003 Program:

Conflict prevention (\$1,500,000 FSA). With supplemental funds, USAID will expand activities beyond the initial 72 communities (about 45,000 beneficiaries) in Khatlon Oblast and in the Ferghana and Rasht valleys and will equalize the focus on rural and urban settings, especially in transit areas. Coordination with other partners will fold in issues of unemployment, human rights, and cultural awareness. Although none of the conflict prevention activities will, in and of themselves, end conflict or extremism in Central Asia, they are a focal point for the USG's efforts to mitigate potentially violent discord. Principal implementers are Mercy Corps, the Aga Khan Foundation, and the United Nations Development Program.

Education (\$1,000,000 FSA). USAID will support basic education in selected school areas to improve overall quality of primary and secondary education focusing on teacher training, curriculum quality, parent and community involvement in schools, the educational system's institutional, management and technical capacity, and school infrastructure. In Tajikistan, the program will focus on grades 1-4. Girls' education will be an important feature of the activity. Grants will go to active, competent local education NGOs. Ongoing education activities presently funded through other sectors will be extended and/or expanded. Implementers will be selected in December 2002, and activity will begin in January 2003.

Participant training (\$1,000,000 FSA). Over 2,000 participants will be trained in Tajikistan in fiscal and tax reform, SME development, local governance, health care reform, energy and water management, conflict resolution, education reform, and crosscutting objectives. Focus will shift from reporting and analyzing types of participants trained to results and achievements. The Academy for Educational Development is the principal contractor.

Eurasia Foundation (\$650,000 FSA). The Ferghana Valley Initiative will encourage cross-border links among local organizations through a series of linkage seminars and cooperative grants to address preconditions of radicalism and conflict. Municipal management reform will improve local government capacity throughout the country through capacity building, policy review, and advocacy.

Program development (\$265,000 FSA). As required, funds will be used to advance or reinforce USAID program objectives. A major evaluation of the 10-year participant training program will be conducted. A regional gender training program for staff will increase USAID's capacity to incorporate gender issues in programs and activities. Essential cross-cutting program personnel will also be funded.

FY 2004 Program:

Participant training (\$1,000,000 FSA). USAID will focus on private enterprise development, civil society and health care reform. Cost-effective in-country training programs will be emphasized.

Eurasia Foundation (\$500,000 FSA). USAID will continue to provide grants to private enterprise, civil society, and public administration NGOs in addition to those strategic areas described above.

Program development (\$984,000 FSA). As required, funds will be used to advance or reinforce USAID program objectives. Essential program personnel, cross-cutting evaluations, monitoring, designs, studies, technical assistance and program management assistance will also be funded.

Performance and Results: The Community Action Investment Project (CAIP) is active in 72 communities with approximately 30,000 beneficiaries in the Fergana and Rasht valleys and Khatlon Oblast. Groups from cross-sections of the community are formed to identify and prioritize sources of tension and work together to rectify them. A good example of this is the rehabilitation of a school shared by a village in Tajikistan with its neighboring village in Kyrgyzstan. Multi-community social events, such as sporting leagues and traditional festivals, have shown impact, given that much tension among communities is generated by simple ignorance of their neighbors. Community contributions to these small projects are increasing, and USAID contributions are decreasing. The basic education program was designed in 2002; performance indicators have been developed, and data collection will begin summer 2003.

USAID trained over 2,800 Tajikistani citizens (50% women) in tax reform, NGO development, judicial and legal reform, mass media, and primary health care. Training enabled participants to positively influence practices in Tajikistan by exposing them to international practices through in-country, third-country, and U.S.-based training. Using skills and materials gained during a community outreach program, the head of the Women's Center mobilized the women in Kulob to reconstruct two schools housing 580 and 800 students. The center established a press center that publishes the monthly newspaper, Umed, and has created more than 100 workplaces through its microfinance program; oil pressing and sawing workshops; and mini-bakery, mini-mill, and potato farming enterprises. The Eurasia Foundation made 19 grants to Tajikistani NGOs in FY 2002, with an average grant size of nearly \$16,000. Half of these supported private enterprise development; the remainder targeted improvements in civil society and public policy and administration. A grant to the Center for Social Technologies to conduct seminars for municipal workers on municipal bidding systems and fostering social partnerships provided municipal servants first opportunity to obtain new information in their field in 10 years. This resulted in five partnership projects between local municipalities and NGOs related to managing orphanages, conflict resolution, ecology and public health.

By the end of the conflict program, 525,000 people will directly benefit from small-scale, community-driven projects. The ties developed will build communities' capacity to address local conflicts before they become serious. Training and grants will strengthen entrepreneurship and citizen involvement in civil society and health care reform.

US Financing in Thousands of Dollars

Tajikistan

119-0420 Cross-Cutting Programs	FSA
Through September 30, 2001	
Obligations	12,070
Expenditures	9,532
Unliquidated	2,538
Fiscal Year 2002*	
Obligations	9,709
Expenditures	3,562
Through September 30, 2002	
Obligations	21,779
Expenditures	13,094
Unliquidated	8,685
Prior Year Unobligated Funds**	
Obligations	7,729
Planned Fiscal Year 2003 NOA	
Obligations	4,415
Total Planned Fiscal Year 2003	
Obligations	12,144
Proposed Fiscal Year 2004 NOA	
Obligations	2,484
Future Obligations	0
Est. Total Cost	36,407

*Fiscal Year 2002 includes \$2m of FY 2002 Supplemental - FSA/NIS.

**Prior Year Unobligated Funds includes \$6.75m of FY 2002 Supplemental - FSA/NIS.