

Uzbekistan

The Development Challenge: While the Government of Uzbekistan (GOU) has committed to key economic and democratic reforms, there has been only modest progress. Governance is autocratic and human rights abuses persist, despite some recent positive steps. Corruption is endemic. With Uzbekistan's proximity to volatile southern neighbors, and with an under-employed and impoverished population, there is growing pressure for the GOU to institute genuine reform. Despite claims of 4.5% GDP growth in 2001, the government's unwillingness to implement market-oriented reforms has constrained economic growth. The government lacks a full understanding of market economics and makes bad policy decisions that stifle economic development, maintain avenues for corruption, and fail to foster a business environment that will attract foreign direct and domestic investment. The state-controlled banking system, a virtual absence of non-bank credit institutions, and lack of investment capital have produced underdeveloped financial intermediation, preventing entrepreneurs from accessing financing to expand their businesses and create jobs. Inefficient state-owned enterprises control the preponderant part of the nation's economy. Unemployment is high and growing. Nearly one third of Uzbeks live below the national poverty line. Poverty and official indifference to hardship are fueling social tensions. Barriers to trade and cross-border transit reinforce a sense of isolation among the Uzbeks. At current growth rates of 2.3-3% per annum, Uzbekistan's population of approximately 25 million is expected to double over the next 50 years, placing greater pressure on Uzbekistan's health care system to satisfy the demand for services. Drug policy remains a problem area with adverse consequences for the treatment of infectious and other diseases. Preventable acute respiratory diseases, diarrhea, and inadequate nutrition spur infant mortality - measured at 44 per 1,000 live births. Poor water management due to excessive use of inefficient irrigation systems has contributed to the shrinking of the Aral Sea, contaminated underground potable water supplies, and increased salinity of the soil. The GOU needs to establish viable private farms and ensure that the water and land that farmers rely on for their livelihood is protected from further degradation. The continued GOU enforcement of growing cotton and lack of agricultural diversification cause both environmental and economic problems.

At the same time, it is important that the United States maintain engagement with Uzbekistan because following the September 11 terrorist attacks on the United States, Uzbekistan emerged as an important U.S. partner in the war on terrorism - a relationship reinforced at the March 2002 meeting in Washington, D.C. between President Bush and Uzbek President Karimov. With a large and growing population, a potential for strong economic growth, and an important geo-strategic location, Uzbekistan's economic and democratic development remains central to the future prosperity and stability of the region.

The USAID Program: The enhanced USG commitment to Central Asia following the September 2001 terrorist attacks on the United States transformed USAID's ability to respond to the development challenges outlined above. Through a robust increase in funding, enabling new initiatives in conflict prevention and education, USAID is expanding economic opportunities, fostering democratic values and practices, and supporting natural resource management and improved health care services. The Program Data Sheets provided below cover the four objectives for which USAID is requesting funds: primary health care, natural resource management, democratic culture, and small enterprise and macro-economic reform, with cross cutting objectives in conflict prevention, youth and education, gender, anti-corruption, and rule of law. Specific activities to be funded in FY 2003 and FY 2004 are described in greater detail in the Program Data Sheets.

Supplemental funding nearly tripled U.S. assistance to Uzbekistan in FY 2002. By the end of the fiscal year, USAID had expanded its economic reform portfolio to include fiscal reform, banking supervision, and microfinance and credit union development. USAID also used supplemental funding to significantly broaden the scope of programs in the water sector. Working in close collaboration with Uzbek officials, the water program consists of five activities that directly build upon and expand previous successful efforts and together address a range of transboundary water, irrigation network management, and on-farm water management activities of high priority to Uzbek counterpart institutions. Supplemental funds allowed USAID to expand into more hard-hitting democracy areas such as support for human rights defenders and civic advocacy. USAID plans to launch new initiatives in judicial reform, local government,

and civic education. Additionally, supplemental funds bolstered existing legal and media reform activities. Supplemental funds are being used to further strengthen tuberculosis control, initiate a blood safety program, develop HIV/AIDS surveillance, prevent an increase in the drug use that is fueling the HIV epidemic, improve care of pregnant and delivering women and their newborns, start much needed educational programs for health managers, and prevent border community conflict through sports activities. Supplemental funding enabled USAID to focus on reducing the threat of extremism and ethnic- or resource-based conflicts. Conflict prevention activities consist of community action programs, targeted where risks of communal or religious conflicts are greatest, and 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. The Community Action Investment Program is the centerpiece of this conflict prevention initiative. Supplemental funding also allowed USAID to begin a program in the education sector.

Uzbekistan has resisted significant macro-economic reforms, particularly currency convertibility, decontrolling cotton prices, and liberalizing access to cash. Following the government's closer engagement with the USG after September 11, USAID seized the opportunity to engage the GOU on key reform issues. While policy responses from the GOU have been mixed, the USG is taking advantage of the window of opportunity to provide targeted policy support assistance. The U.S. Department of Treasury is providing advisors to advance treasury, debt, tax and banking reform, while USAID will provide complementary support in fiscal, banking, and trade reform. Assistance will also strengthen policy think tanks' capacity to conduct compelling policy analyses and to communicate findings effectively to policy makers. This program of targeted assistance is just getting underway. If successful, these programs, with adequate policy reform, could have a major impact on the future of Uzbekistan's economic development, and it will also be likely that long term support would be required to institutionalize the reforms.

Other Program Elements: USAID also supports institutional partnerships that seek to build lasting relationships between the United States and Uzbekistan. USAID utilizes several pillar bureau-managed programs, including an agreement with the Centers for Disease Control and the Monitoring and Evaluation to Assess and Use Results (MEASURE)/Evaluation Program. The Farmer-to-Farmer program managed by USAID's Bureau for Democracy, Conflict and Humanitarian Assistance is also active. The Departments of Commerce, Defense, Energy, Agriculture, and State also manage programs complementary to USAID field activities in diverse sectors. The Eurasia Foundation has an active small grants program in education, small business, local government and civil society, which reinforces USAID's strategic objectives.

Other Donors: Due to supplemental funding, USAID is the largest bilateral donor, and the third largest overall donor to Uzbekistan. The largest overall donor is the Asian Development Bank (ADB), followed by the European Bank for Reconstruction and Development (EBRD). The World Bank (WB) is the fourth largest donor, followed by the Government of Japan (including the Japanese International Cooperation Agency, the Japanese Bank for International Cooperation, and the Japan External Trade Organization), and the Government of China. Other important bilateral donors include the Government of Switzerland and the Government of Germany (through the German Society for Technical Cooperation). Other important multilateral donors include the United Nations Development Program and the European Union. USAID continues to strengthen its ties with these and other donors through joint activities and coordination. The government and donor community is currently engaged in a joint national effort to reform primary health care by improving the quality of management and service delivery. USAID is coordinating with the WB on accounting reform and treasury system reform activities. USAID has a cooperative agreement with the International Finance Corporation to develop the legislative framework for microfinance. USAID assistance to credit unions is coordinated with the ADB, and the EBRD is providing business advisory services. In natural resources management, USAID activities are complemented by WB and ADB loans to support improved management of agriculture and water.

Uzbekistan
PROGRAM SUMMARY
(in thousands of dollars)

Accounts	FY 2001 Actual	FY 2002 Actual	FY 2003 Prior Request	FY 2004 Request
Child Survival and Health Programs Fund	700	0	0	0
FREEDOM Support Act	25,310	29,190	31,500	42,000
Emergency Response Fund - FSA/NIS	0	54,500	0	0
Supplemental - FSA/NIS	0	34,500	0	0
Total Program Funds	26,010	118,190	31,500	42,000

STRATEGIC OBJECTIVE SUMMARY

122-0131 Small and Medium Sized Enterprises				
FSA	2,100	8,000	5,149	6,086
122-0161 Energy and Water				
FSA	1,750	21,050	1,889	3,476
122-0211 Democratic Culture and Institutions				
FSA	2,950	8,440	4,270	7,216
122-0240 Conflict Prevention				
FSA	0	0	0	302
122-0320 Health and Population				
CSH	700	0	0	0
FSA	5,500	19,000	5,256	8,163
122-0340 Strengthened Basic Education Sector				
FSA	0	0	0	575
122-0420 Cross-Cutting Programs				
FSA	2,598	14,242	3,236	3,222
TRANSFER				
FSA	10,412	47,458	11,700	12,960

SO 122-0131 includes \$5,900 of FY 2002 Supplemental - FSA/NIS.

SO 122-0161 includes \$18,000 of Emergency Response Fund - FSA/NIS and \$1,350 of FY 2002 Supplemental - FSA/NIS.

SO 122-0211 includes \$4,440 of FY 2002 Supplemental - FSA/NIS.

SO 122-0320 includes \$15,000 of Emergency Response Fund - FSA/NIS.

SO 122-0420 includes \$4,000 of Emergency Response Fund - FSA/NIS and \$7,500 of FY 2002 Supplemental - FSA/NIS.

TRANSFER includes \$17,500 of Emergency Response Fund - FSA/NIS and \$15,310 of FY 2002 Supplemental - FSA/NIS.

Mission Director,
George Deikun

Data Sheet

USAID Mission:	Uzbekistan
Program Title:	Small and Medium Sized Enterprises
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	122-0131
Status:	Continuing
Proposed FY 2003 Obligation:	\$5,149,000 FSA
Prior Year Unobligated:	\$1,576,000 FSA
Proposed FY 2004 Obligation:	\$6,086,000 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 Uzbekistan has three main components: 1) training present and future entrepreneurs, including agro-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. Supplemental funding was critical for an expansion at all levels of the SME portfolio, especially in the finance sector. Prior year unobligated funds include \$1,495,426 of FY 2002 Supplemental - FSA/NIS.

Inputs, Outputs, Activities:

FY 2003 Program:

Business skills and information (\$3,986,600 FSA). With some help from supplemental funds, the EdNet activity will give college students greater access to information and opportunities to succeed in the free market by providing teaching materials, training, research opportunities, and scholarships. USAID will also offer business training to entrepreneurs and business managers. Work in accounting reform, business advisory services, advocacy group development, and professional associations will continue. A Regional Trade Promotion activity will help link buyers and sellers to increase regional and international trade among SMEs. USAID's principal partners include Pragma Corporation (prime) and Carana Corporation (prime).

Access to capital (\$318,400 FSA). Supplemental funding has enabled the start-up this fiscal year of several new activities to support this objective for both small/medium and micro enterprises. Through technical assistance and some financial support, entrepreneurs will gain access to alternative sources of capital, including microfinance, equity, debt, and leasing. Technical assistance will also improve the legal basis for microfinance. Technical assistance to the Central Bank and commercial banks will improve financial transparency and bank accounting methods. USAID's principal partners include ACDI/VOCA (prime), World Council of Credit Unions (prime), Small Enterprise Assistance Fund (prime), Abt Associates (prime), BearingPoint (sub), and the International Finance Corporation (prime).

Implementation of laws and regulations (\$844,000 FSA). Supplemental funds enabled the start-up in FY 2003 of a new activity that will provide technical assistance, training, and some computers to help strengthen the capacity of economic think tanks. That activity will also provide short-term technical assistance to support monetary policy and exchange rate and fiscal policy. In FY 2003, USAID technical assistance and training on trade issues will support the GOU's efforts to join the World Trade Organization. USAID's principal partners include Pragma Corporation (prime), Abt Associates (prime), and BearingPoint (sub).

FY 2004 Program:

Business skills and information (\$3,044,000 FSA). USAID will continue to provide technical assistance and training to firms to strengthen their business skills and practices. Assistance in business association development will foster greater advocacy for reform. Training, teaching materials, research opportunities, and scholarships will be made available to Uzbek university professors and administrators.

Access to capital (\$1,582,000 FSA). We will continue to support a number of activities in mobilizing finance. Technical support to the Central Bank and commercial banks will continue to help implement bank accounting reform, particularly the adoption of International Accounting Standards and analysis and management of foreign exchange risk. We will continue the expansion of microfinance programs and credit unions by building basic capacity and providing additional lending capital, so that entrepreneurs, primarily women, may expand their businesses.

Implementation of laws and regulations (\$1,460,000 FSA). USAID will continue to support economic think tanks to help develop greater public policy dialogue and greater advocacy for reform. Technical assistance to support WTO accession will continue, and funds permitting, work would begin with local and national government authorities and local businesses to identify and remove or reduce barriers to regional trade. Funds permitting, technical assistance, training, and some computers would be provided to help the GOU implement tax reform in support of small/medium enterprise development.

Performance and Results: Uzbekistan demonstrated strong commitment and provided critical assistance to the U.S. in the global fight against terrorism. USAID seized the opportunity to engage the GOU on a number of key economic reform issues and offered a substantial package of economic assistance. While policy messages have been mixed, the U. S. government is taking advantage of the window of opportunity to provide targeted policy support assistance to advance market and institutional reform. The Department of Treasury is providing advisors to advance treasury, debt, tax, and banking reform, while USAID will provide complementary support in fiscal, banking, and trade reform. After receiving supplemental funding in September that tripled total economic assistance to Uzbekistan, USAID responded rapidly to obligate and start-up expanded programs to address macro-economic reform, micro-finance, and credit union development. In a six-month period micro-finance loans totaled 405 (69% women) with no loans in arrears.

USAID continued to increase access to modern business information and skills. USAID trained more than 1,500 businesspeople in marketing, accounting, business plan development, and other business topics. With USAID technical assistance and help from the USAID-supported Uzbek professional accounting and audit associations, Uzbekistan's Ministry of Finance launched a two-year transition program for implementation of Uzbek Accounting Standards, which are based on International Accounting Standards. During the year, business advisors assessed 225 enterprises, primarily in food processing, and delivered direct consultancy services to 60 of those firms. For example, one fruit and vegetable flash-freezer and jam producer signed a \$465,000 contract with a large multinational company. In the first six months of a pilot microfinance activity, \$59,000 was disbursed to nearly 404 micro-entrepreneurs. USAID and ADB cooperated closely to support the development of credit union system, including close cooperation with the GOU on developing a credit union law. While restrictive economic policies predominated during FY 2002, the International Monetary Fund (IMF) began a dialogue with the Government of Uzbekistan on key macroeconomic issues. As a result of this opening of policy dialogue, USAID has re-started support for economic policy reform.

By program's end, Uzbekistan will be well equipped to carry out sorely needed economic reforms in key areas, including banking supervision and fiscal reform. In addition, improvements in the financial sector and a legal and regulatory environment that is favorable to SME development will ensure a vigorous small business sector, which is key to Uzbekistan's economic development. Entrepreneurs will have the business skills and information to take advantage of increased economic opportunities.

US Financing in Thousands of Dollars

Uzbekistan

122-0131 Small and Medium Sized Enterprises	FSA
Through September 30, 2001	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2002*	
Obligations	6,924
Expenditures	791
Through September 30, 2002	
Obligations	6,924
Expenditures	791
Unliquidated	6,133
Prior Year Unobligated Funds**	
Obligations	1,576
Planned Fiscal Year 2003 NOA	
Obligations	5,149
Total Planned Fiscal Year 2003	
Obligations	6,725
Proposed Fiscal Year 2004 NOA	
Obligations	6,086
Future Obligations	0
Est. Total Cost	19,735

*Fiscal Year 2002 includes \$4.405m of FY 2002 Supplemental - FSA/NIS.

**Prior Year Unobligated Funds includes \$1.495m of FY 2002 Supplemental - FSA/NIS.

Data Sheet

USAID Mission:	Uzbekistan
Program Title:	Energy and Water
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	122-0161
Status:	Continuing
Proposed FY 2003 Obligation:	\$1,889,000 FSA
Prior Year Unobligated:	\$2,746,000 FSA
Proposed FY 2004 Obligation:	\$3,476,000 FSA
Year of Initial Obligation:	2000
Estimated Completion Date:	2005

Summary: Uzbekistan consumes up to 65% of Central Asia's water resources, mostly for irrigation. Thus Uzbekistan is key to improving water management on all levels: transboundary, irrigation, and on farm. USAID's water programs in Uzbekistan include: training for technical personnel in water specialties; installation of sustainable, cost-effective models that demonstrate new, more efficient technologies and management techniques for water; improving the policy and regulatory framework for management of water resources; and developing public commitment for improved water resources management. Supplemental funds allowed a major expansion of water activities, including potable water for the arid region of Karakalpakstan, canal rehabilitation supplying water to 250,000 hectares, and private water user associations to manage irrigation on former state farms. Prior year unobligated funds include \$1,350,000 of FY 2002 Supplemental - FSA/NIS.

Inputs, Outputs, Activities:

FY 2003 Program:

Water (\$1,889,000 FSA). Water activities begun with supplemental funds, including strengthening newly organized private water user associations in five pilot regions and the refurbishment and modernization of key structures and communications systems for the extensive Surkhondaryo and Zarafshan canal systems, will continue. Similar assistance for tributary and canal systems that feed from the Syr Darya and Amu Darya river systems will continue. About one million farmers will benefit from improvements to the canal systems. Activities will also improve access to reliable sources of potable water in Karakalpakstan benefiting 6,000 citizens. The Ministry of Agriculture and Water Resources and the two river basin organizations are principal partners in these activities. USAID will continue improvements in water use and efficiency at the farm level through demonstrations on selected sites of practical, cost-effective water control structures for Uzbek conditions. USAID will also continue to support the establishment of much-needed communication networks and linkages to facilitate the flow of weather and water information, both for Uzbekistan and within the region. This information is critical to forecasting national- and regional-level water needs and allocation decisions. Practical field-based training and the development of useful training modules, including farm level water management, will continue. Additional emphasis will be devoted to public awareness and advocacy through training, public service announcements, and expanded work with NGOs, which are active in the water, energy, or environment sectors. Training and public awareness activities, such as the radio public service announcements providing advice on conserving water, will continue to capitalize on the success of the program's demonstration activities. USAID will also assist in a renewal of the current five-year Transboundary Water Agreement between Kazakhstan, Kyrgyzstan, and Uzbekistan, which is due to expire this year. The Ministry of Agriculture and Water Resources will continue to be USAID's primary host-country collaborator for these tasks, and PA Consulting Group will continue as the prime implementer for all water activities.

FY 2004 Program:

Water (\$3,476,000 FSA). New USAID projects begun with 2002 supplemental funding will be completed in mid-2004. USAID will work with the Ministry of Agriculture and Water Resources to demonstrate more efficient on-farm management practices through models and corollary training for water technical staff of host country institutions (some at a more advanced level), and public awareness activities will be enhanced to reach ever larger audiences. Assistance will be provided to strengthen private water user associations.

Performance and Results: With significant supplemental funding, USAID addressed water resources needs far beyond what would have been possible otherwise. USAID has begun new assistance for water user associations, construction of potable water in Karakalpakstan, and refurbishment of the Zaravshan and Surkhandaryo canal systems, as well as refurbishment of select tributaries and canals of the Amu Darya and Syr Darya rivers. The Surkhandaryo canal system supplies vital irrigation water to 250,000 hectares through more than 1,000 miles of canals, to approximately one million farmers. Each of these activities has made significant progress since implementation began in mid-year 2002. Training is underway to make newly organized private water user associations self-sustainable in five pilot regions. Training is also underway in the Surkhandaryo and Zaravshan Canal, and some areas of the Syr Darya and Amu Darya canals, related to refurbishment, improvements to key water control structures, and communications systems. Technical designs are in process for improved access to reliable sources of potable water in the Karakalpakstan region. USAID's program to improve water resources management relies heavily on human resource development, much of it through training, which is generally conducted in tandem with equipment installations, demonstrations, and similar activities such as the Pakhtaabad or Chirchik models. The training combines field experience with classroom instruction to improve analytical and forecasting capacity for improved river flow management. The value of the training program is evidenced by the fact that government agencies and NGOs in Uzbekistan are using new water management practices, flow control devices, and information technology, which was developed and first used under the Natural Resources Management Project. The communications network for collecting, analyzing, and sharing vital weather and river flow information within the country is being upgraded. The Pakhtaabad Canal Pilot Project, which permits monitoring of canal conditions and automatic adjustment of the water usage regime, was completed in FY 2002. This canal serves over 20,000 hectares of irrigated land and was selected as a pilot project site because of its location in an important agricultural production area, the Ferghana Valley. The Pakhtaabad pilot and its predecessor, the Chirchik River flow management model, both serve as catalysts for policy reform in water management as well as in the agricultural sector, and directly support an active level of policy dialogue with the Ministry of Agriculture and Water Resources. These models have given USAID's program considerable credibility, and are directly responsible for the Ministry's willingness to undertake desirable policy reforms in water resources management. Approximately 100,000 farmers are expected to benefit from improvements to the canal systems. The Ministry has solicited USAID assistance to improve the legislation governing water user groups. In one of our biggest successes, USAID worked with the World Bank and Asian Development Bank to bring Tajikistan and Uzbekistan together in a joint agreement for commercial sales of electricity between the countries. Host country commitment to improvements in the water resources sector is strong and key counterparts have consistently supported USAID's agenda.

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 management of water resources. The information generated by the system will help mitigate potential conflict over energy and water with Uzbekistan's neighbors because important water and energy agreements will be based on objective data and standards.

US Financing in Thousands of Dollars

Uzbekistan

122-0161 Energy and Water	FSA
Through September 30, 2001	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2002*	
Obligations	18,574
Expenditures	2,539
Through September 30, 2002	
Obligations	18,574
Expenditures	2,539
Unliquidated	16,035
Prior Year Unobligated Funds**	
Obligations	2,746
Planned Fiscal Year 2003 NOA	
Obligations	1,889
Total Planned Fiscal Year 2003	
Obligations	4,635
Proposed Fiscal Year 2004 NOA	
Obligations	3,476
Future Obligations	0
Est. Total Cost	26,685

**Fiscal Year 2002 includes \$18m of the Emergency Response Fund - FSA/NIS.

**Prior Year Unobligated Funds includes \$1.35m of FY 2002 Supplemental - FSA/NIS.

Data Sheet

USAID Mission:	Uzbekistan
Program Title:	Democratic Culture and Institutions
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	122-0211
Status:	Continuing
Proposed FY 2003 Obligation:	\$4,270,000 FSA
Prior Year Unobligated:	\$3,087,000 FSA
Proposed FY 2004 Obligation:	\$7,216,000 FSA
Year of Initial Obligation:	2001
Estimated Completion Date:	2005

Summary: USAID is creating stronger and more sustainable civic organizations; increasing the availability of information on civic rights and domestic public issues; and increasing opportunities for citizen participation in governance. Supplemental funding was critical and essential to expanding the human rights and civic advocacy portfolios and initiatives in judicial reform, local government, and civic education. Prior year unobligated funds include \$2,740,000 of FY 2002 Supplemental - FSA/NIS.

Inputs, Outputs, Activities:

FY 2003 Program:

Political process (\$1,326,735 FSA). To bolster rule of law in Uzbekistan, USAID will launch a judicial reform program to train judges, disseminate legal information, and institute a court administration program. The existing legal reform activity will train legal professionals, overhaul the curriculum at Tashkent State Law Institute, conduct continuing legal education for advocates, and train law students on oral and written advocacy. A small amount of funds will be used to augment the work of the Institute's new human rights law clinic. In support of local government reform, USAID will provide technical assistance, training, and grants to housing associations, NGOs advocating for housing reform, and local governments. Principal implementing partners are: the American Bar Association's Central and East European Law Initiative (ABA/CEELI) (prime), Urban Institute (prime), and others to be determined through competition.

Civil society (\$2,072,123 FSA). With supplemental funds, USAID will launch the next phase of its flagship civil society program with primary emphasis on supporting a network of at least seven civil society support centers. USAID's assistance will include training and resources to strengthen the financial and institutional sustainability of these centers. Additionally, USAID will train NGOs to implement advocacy campaigns at the local and national levels. USAID will also provide grants to support up to four national advocacy campaigns. Also as part of its civil society program, USAID will train at least 75 human rights defenders on strategic planning, monitoring, legal advice, and public outreach; provide grants to local human rights organizations; and establish a Human Rights NGO resource center in the Ferghana Valley. Principal implementing partners are Counterpart International (prime), the International Center for Not-for-Profit Law (sub), Freedom House (prime) and others to be determined through competition.

Media & information (\$871,142 FSA). USAID will support management and technical training for non-governmental television stations. A full-time legal advisor will continue to provide legal consultation to non-governmental broadcast and print media outlets, ensuring that they are in compliance with the law so that the Government is not able to easily shut them down. A print media advisor will continue to provide training and support to print journalists to upgrade the quality of reporting. Furthermore, FY 2003 funds will be used to support two new information initiatives. USAID will launch a new anti-trafficking activity in Uzbekistan. Since Uzbekistan is one of the few countries not listed on the State Department's Trafficking in Persons list due to lack of verifiable data, the new program will focus on educating the public on the

dangers associated with trafficking. The other new initiative is a civic education project that will introduce new teaching methodologies as well as promote tolerance, advocacy, and pluralism in public schools. Debate clubs, student governance, and summer camps are specific activities under this civic education project. Principal implementing partners are: Internews (prime), the International Center for Journalists (sub), Soros Foundation (sub), and others to be determined through competition.

FY 2004 Program:

Political process (\$2,960,000 FSA). USAID will continue to foster the rule of law through its judicial and legal reform programs. In local government, USAID will continue its condominium reform program, possibly expanding into other areas of local government reform to help municipalities to become more transparent and responsive to citizens.

Civil society (\$2,595,000 FSA). USAID will continue to provide a comprehensive range of assistance to strengthen non-governmental organizations' capacity for advocacy, sustainability, community-based constituency building, and organizational development. Support will continue for the civic advocacy program and the human rights defenders project.

Media & information (\$1,661,000 FSA). USAID will continue to increase the quality of information available to the public; enhance the financial and editorial independence of print and broadcast media outlets; and improve the legal environment in which the media operates. USAID may expand its civic education efforts to additional schools, depending on performance. Anti-trafficking efforts may be expanded to include work on anti-trafficking legislation and enforcement of this legislation.

Performance and Results: The democracy program portfolio grew enormously during 2002 due to increased funding. Supplemental funds permitted USAID to expand into hard-hitting democracy areas such as human rights and civic advocacy. Supplemental funds also allowed USAID to launch several initiatives in judicial reform, local government, and civic education. Supplemental funds also bolstered existing legal and media reform. With additional funding and new opportunities for democratic reform, USAID pushed for change last year and produced some noteworthy results, the most visible of which is the new Freedom House Resource Center in Tashkent, which provides training, human rights information resources, meeting facilities, and legal services to human rights NGOs, jointly funded with Department of State's Bureau for Democracy, Human Rights and Labor (DRL). All seven of the USAID-supported civil society support centers (CSSCs) were officially registered last year. These CSSCs provide training seminars, technical support, information resources, networking opportunities, and professional services to NGOs and associations. The importance of these CSSCs cannot be overlooked. For instance, the number of NGOs in Samarkand Province tripled (from 30 to 90) in the last year since the opening of the Civil Society Support Center. Another highlight of USAID's work in Uzbekistan is the opening of a new human rights law clinic at Tashkent State University. The clinical program focuses on providing pro-bono legal advice on in-country residency restrictions issues, freedom of movement cases, and government-sanctioned discrimination based on gender, origin, ethnicity, or language. Clinical students also receive instruction from human rights advocates and international scholars on a wide-range of human rights-related subjects. DRL funds this program, and USAID manages it. USAID provided training to Osiyo-TV, a new independent station in the Bukhara Region, which aired its first broadcast in January. As a result of the director's participation in USAID-funded journalism seminars, he launched his own television station that facilitates communication between the town's citizens and its government. The station airs a 2 ½-hour live call-in show for the community to interact with the mayor's office, judicial leaders, and local education and health board representatives. Citizens now have an opportunity to voice their concerns and actively participate in discussions on the town's management.

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, responsive, and accountable public institutions.

US Financing in Thousands of Dollars

Uzbekistan

122-0211 Democratic Culture and Institutions	FSA
Through September 30, 2001	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2002*	
Obligations	5,896
Expenditures	420
Through September 30, 2002	
Obligations	5,896
Expenditures	420
Unliquidated	5,476
Prior Year Unobligated Funds**	
Obligations	3,087
Planned Fiscal Year 2003 NOA	
Obligations	4,270
Total Planned Fiscal Year 2003	
Obligations	7,357
Proposed Fiscal Year 2004 NOA	
Obligations	7,216
Future Obligations	0
Est. Total Cost	20,469

*Fiscal Year 2002 includes \$1.7m of FY 2002 Supplemental - FSA/NIS.

**Prior Year Unobligated Funds includes \$2.74m of FY 2002 Supplemental - FSA/NIS.

Data Sheet

USAID Mission:	Uzbekistan
Program Title:	Conflict Prevention
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	122-0240
Status:	New
Proposed FY 2003 Obligation:	\$0
Prior Year Unobligated:	\$0
Proposed FY 2004 Obligation:	\$302,000 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 activities. 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 program, and is reported in the separate program data sheet for cross-cutting program. The principal partners in Uzbekistan are Mercy Corps, Counterpart International, and Community Habitat Finance.

FY 2004 Program:

Conflict prevention (\$302,000 FSA). From the initial 59 communities, with approximately 70,000 beneficiaries, and the communities identified for expansion in FY 2003, activities will continue in the Ferghana Valley and southern Uzbekistan, near the Afghanistan border. We will continue to work closely with partners on issues of unemployment, human rights, and cultural awareness.

Performance and Results: Supplemental funding enabled initiation of two critical programs to address important issues, conflict prevention, and basic education. The Community Action Investment Program (CAIP), helps conflict-vulnerable communities in the Ferghana Valley and in Surkhandarya and Kashakadarya oblasts in southern Uzbekistan overcome sources of conflict. The program is currently active in 59 communities, with approximately 70,000 beneficiaries. Groups from cross-sections of the community are formed to identify and prioritize sources of tension and work together to rectify them. In Namangan, three school facilities were rehabilitated for \$9,000 (with the community contributing 45% of the costs) to benefit 1,900 students. In Karayontak, the Peaceful Communities Initiative worked to rehabilitate a medical clinic at a cost of \$39,238, 32% of which was contributed by the community, and the World Bank committed \$50,000 worth of medical equipment. Approximately 3,000 people will benefit directly from the clinic. 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 program in 2005, approximately 447,000 people will directly benefit from small-scale, community-driven projects. More importantly, the ties developed through the community strengthening component of this activity will build communities' capacity to deal with local conflicts before they become dangerous.

US Financing in Thousands of Dollars

Uzbekistan

122-0240 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	302
Future Obligations	0
Est. Total Cost	302

Data Sheet

USAID Mission:	Uzbekistan
Program Title:	Health and Population
Pillar:	Global Health
Strategic Objective:	122-0320
Status:	Continuing
Proposed FY 2003 Obligation:	\$5,256,000 FSA
Prior Year Unobligated:	\$1,141,000 FSA
Proposed FY 2004 Obligation:	\$8,163,000 FSA
Year of Initial Obligation:	2001
Estimated Completion Date:	2005

Summary: USAID is creating a higher quality primary health care (PHC) system in select oblasts by retraining doctors and nurses in family medicine, establishing incentive-based provider payment systems; helping health sector NGOs to strengthen their organizations; and developing pre-service and postgraduate education programs in health care administration. Doctors and laboratory specialists receive in-service training in accurate diagnosis and treatment of tuberculosis (TB), and TB laboratories' and facilities' monitoring systems are improved. HIV is addressed by increasing prevention programs of NGOs, marketing condoms, and introducing a surveillance system to document the HIV level among high risk groups. Supplemental funding expanded health activities in Uzbekistan.

Inputs, Outputs, Activities:

FY 2003 Program:

Quality primary health care (\$2,371,703 FSA). USAID will promote healthy behaviors with nationwide family planning and breastfeeding campaigns and train PHC staff on health promotion. USAID will award NGOs small grants to implement community health projects. Uzbekistan's health managers will benefit from a new partnership that will develop health management education in several Uzbek medical institutions. More family doctors will be trained in family medicine, including reproductive health, care of pregnant women, anemia, rational nutrition, and Integrated Management of Childhood Illnesses. Nurses will be trained in improved home visit care and the community health nursing short courses in Israel will continue. Quality improvement pilots will begin in hypertensive care, pregnancy-induced hypertension and acute respiratory infection in children. USAID will initiate health reform models in one urban primary health clinic and one central rayon hospital site. USAID will extend the per capita financing system in Ferghana, Navoi, and Syr Darya and expand to two new oblasts, Surkhandaryo and Kashkadaryo. Finance managers' training in health management skills will continue. Clinical information and enrollment systems will be refined and extended geographically. Principal implementers are Abt Associates (prime), American International Health Alliance (prime), Counterpart Consortium (prime), and Center for International Cooperation of the Israeli Ministry of Foreign Affairs (MASHAV) (prime).

Infectious disease control (\$1,992,297 FSA). USAID will continue to train health staff in the Directly Observed Treatment Short-course (DOTS) approach. TB specialists will be trained in laboratory diagnosis and the statistical information system will be improved. The Centers for Disease Control and Prevention (CDC) will establish a regional training program on blood safety that will equip 19 virology labs in three pilot sites in Uzbekistan. USAID will respond to the growing malaria threat by developing a regional approach to malaria control that will include activities in Uzbekistan. Two Uzbekistanis will be selected for the two-year Applied Epidemiology program at the Kazakhstan School of Public Health. Principal implementers are CDC (prime) and Project Hope (prime).

HIV/AIDS prevention (\$667,000 FSA). USAID and CDC are establishing four sentinel surveillance sites in Tashkent, Termez, Andijon, and Samarkand. USAID is collecting behavioral information in high HIV-transmission locations, to better focus AIDS prevention programs. CDC will initiate a large-scale study of

behavioral risk factors, and prevalence of HIV, hepatitis, and sexually transmitted infections (STIs) in the Tashkent/Yangi-Yul area, where HIV-positive cases are concentrated. Four HIV/AIDS NGOs will offer basic medical care, free condoms, and referrals to social workers, STI clinics, HIV testing sites and legal services. A drug prevention program will be initiated, condoms will be marketed to vulnerable young adults, school-based education on STIs and HIV/AIDS will start, and outreach work to high risk groups will begin. Principal implementing partners are: CDC (prime), Population Services International (prime), Soros Foundation (prime), and the University of North Carolina (prime).

Maternal & child health (\$225,000 FSA). USAID will train health staff to better manage obstetric, pre-natal and RH care, and initiate training on management of common but serious childhood illnesses in Kashkadaryo and Surkhandaryo oblasts. The pilot-tested interactive school health curriculum will be extended throughout Ferghana Oblast and the health education component of the Sports and Health Education Program will be implemented. Principal implementers are: Abt Associates (prime) and Project Hope (prime).

FY 2004 Program:

Quality primary health care (\$2,695,000 FSA). USAID will continue health promotion activities, training of PHC staff, and small grant support to health sector NGOs. Pilot programs in quality improvement and health care financing activities will be expanded. The community health nursing short courses in Israel and the health management partnership will continue, while medical education activities will be introduced. AIHA's first five-year cooperative agreement is ending. USAID/W has completed a follow-on agreement and USAID is currently discussing an additional partnership for the country.

Infectious disease control (\$1,550,000 FSA). USAID will expand TB control efforts to new sites and continue malaria control and the Applied Epidemiology program.

HIV/AIDS prevention (\$1,388,000 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 condom social marketing to new sites of high HIV prevalence and continue the drug prevention program.

Maternal and child health (\$2,530,000 FSA). USAID will expand training within pilot oblasts for physicians and nurses to better manage obstetric and pre-natal care and to manage serious childhood illnesses. USAID will continue cross-border sports and health education activities with youth.

Performance and Results: Supplemental funding enabled expanded activities in three new oblasts. Funds are used to further strengthen TB control, initiate a blood safety program, develop HIV/AIDS surveillance, prevent an increase in the drug use that is fueling the HIV epidemic, improve care of pregnant women and their newborns, start much needed educational programs for health managers, and prevent border community conflict through sports activities. Reformed primary health care practices now cover approximately 12.7% of the population. In pilot areas, 28% to 46% of people are using PHC practices for outpatient care although the national use of PHC is still unchanged at 5% of total outpatient visits (7% target). Twenty-two percent of people in pilot sites (22% target) were served by PHC practices meeting minimum standards on a variety of components including clinical and management training, equipment, and laboratory and drug access. PHC's share of health sector expenditures was 18.7% (15% target). Health sector NGOs established a center where drug addicts and alcoholics can receive medical services. Five grants were awarded to HIV/AIDS NGOs that work on prevention among high-risk groups, including prisoners. By the end of the program, nurses and doctors trained in family medicine and the cost-effective PHC system will improve the delivery of healthcare to the population served.

US Financing in Thousands of Dollars

Uzbekistan

122-0320 Health and Population	FSA
Through September 30, 2001	
Obligations	19,059
Expenditures	9,342
Unliquidated	9,717
Fiscal Year 2002*	
Obligations	20,322
Expenditures	8,445
Through September 30, 2002	
Obligations	39,381
Expenditures	17,787
Unliquidated	21,594
Prior Year Unobligated Funds	
Obligations	1,141
Planned Fiscal Year 2003 NOA	
Obligations	5,256
Total Planned Fiscal Year 2003	
Obligations	6,397
Proposed Fiscal Year 2004 NOA	
Obligations	8,163
Future Obligations	0
Est. Total Cost	53,941

*Fiscal Year 2002 includes \$15m of the Emergency Response Fund - FSA/NIS.

Data Sheet

USAID Mission:	Uzbekistan
Program Title:	Strengthened Basic Education Sector
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	122-0340
Status:	New
Proposed FY 2003 Obligation:	\$0
Prior Year Unobligated:	\$0
Proposed FY 2004 Obligation:	\$575,000 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

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 program. The prime contractor is the Academy for Educational Development.

FY 2004 Program:

Education (\$575,000 FSA): In FY04, USAID/CAR will continue to solidify the activities begun in FY2003, described in the above summary. Girls' education will be an important part of the program. Small grants may be given to active, competent local education NGOs. An assessment of the program is planned in FY2004. 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.

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 like 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.

US Financing in Thousands of Dollars

Uzbekistan

122-0340 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	575
Future Obligations	0
Est. Total Cost	575

Data Sheet

USAID Mission:	Uzbekistan
Program Title:	Cross-Cutting Programs
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	122-0420
Status:	Continuing
Proposed FY 2003 Obligation:	\$3,236,000 FSA
Prior Year Unobligated:	\$6,931,000 FSA
Proposed FY 2004 Obligation:	\$3,222,000 FSA
Year of Initial Obligation:	2001
Estimated Completion Date:	2005

Summary: This cross-cutting program supports all of USAID's strategic objectives. It includes conflict prevention through public dialogue and small scale social and physical infrastructure improvement in vulnerable communities; improving the quality of basic education; participant training in health, democracy, and a free-market economy; Eurasia Foundation training and sub-grants to strengthen NGOs working in business education, civil society, and media; and program development (cross cutting evaluations, studies, and program management support). Supplemental funds were critical for the initiation of conflict activities and the start up of the basic education activity. Prior year unobligated funds include \$6,815,647 of FY 2002 Supplemental - FSA/NIS.

Inputs, Outputs, Activities:

FY 2003 Program:

Conflict prevention (\$400,000 FSA). USAID will expand conflict prevention activities beyond its 59 initial communities, with approximately 70,000 beneficiaries, in southern Uzbekistan and the Ferghana Valley, and will better balance efforts between rural and urban settings, especially in Karshi, Termez, Ferghana, Kokand, and Namangan. We will also work more closely with other partners to address unemployment, human rights, and cultural awareness. While the root causes of conflict are long-term in nature, our conflict prevention activities can mitigate some of the most immediate causes of potential conflict stemming from ethnic tensions, competition over scarce resources and border restrictions to trade. Beginning in FY 2004, these activities will be funded as a separate strategic objective. The primary partners are: Mercy Corps International (prime), Counterpart International (prime), and Community Habitat Finance (prime).

Education (\$1,000,000 FSA). USAID will begin its basic education program in FY 2003, through activities that improve in-service teacher training; enhance 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. Principal contractors and grantees are to be selected by competition.

Participant training (\$400,000 FSA). More than 2,000 participants will be trained in economic growth, democracy, health, and natural resources. The focus will shift from reporting on types of participants to training results and achievements. The implementing partner is the Academy for Educational Development (prime).

Eurasia Foundation (\$1,250,000 FSA). The Eurasia Foundation will expand the Ferghana Valley Initiative to provide targeted grants to increase dialogue and cross-border linkages in this conflict-prone region.

Program support (\$186,000). Funding will provide for a range of support activities to the entire program. As required, funding will enable USG to support unanticipated opportunities to advance or reinforce USAID objectives. A major evaluation of the 10-year participant training program will be conducted. A

region-wide gender-training program will be conducted for USAID staff to increase capacity to incorporate gender issues. Program personnel essential to the implementation of activities will be supported by this category.

FY 2004 Program:

Participant training (\$1,000,000 FSA). Greater emphasis will be placed on more cost-effective in-country training programs, in addition to the training that takes place in the United States and third countries.

Eurasia Foundation (\$1,000,000). The program will continue to provide grants in three sectors (private enterprise, civil society, and public administration) on an open-door basis to NGOs in Uzbekistan.

Program support (\$1,222,000 FSA). A wide range of program and personnel support activities will continue. It is anticipated that funding will support various assessments in anticipation of a new strategy for 2005.

Performance and Results: Supplemental funding enabled initiation of two critical programs to address important issues, conflict prevention, and basic education. The Community Action Investment Program (CAIP) helps conflict-vulnerable communities in the Ferghana Valley and in Surkhandaryo and Kashkadaryo oblasts in southern Uzbekistan overcome sources of conflict. The program is currently active in 59 communities, with approximately 70,000 beneficiaries, that are especially vulnerable to conflict. Groups from cross-sections of the community are formed to identify and prioritize sources of tension and work together to rectify them. In Namangan, CAIP worked with the local school department to rehabilitate facilities at three schools, costing \$9,000 in all, which will benefit 1,900 students. The community match for these projects far exceeded expectations, coming in at 45%. In Karayontok, USAID's Peaceful Communities Initiative (PCI) worked with the community to rehabilitate a medical clinic at a total cost of \$39,238, 32% of which was contributed by the community. As a result of the rehabilitation, the World Bank committed \$50,000 worth of medical equipment. Approximately 3,000 people will benefit directly from improved medical services at the clinic. In Naiman, Uzbekistan, and Jeke-Miste, Kyrgyzstan, the neighboring village across the border, a cross border drinking water project was started in August 2002 at a cost of \$18,300. The community cost share is 20%, but the community was able to leverage funds from the Soros Foundation to contribute an additional 10% to the project. The total number of beneficiaries in the two communities is 2,500 people. The broader impact of these activities is community resolution of local conflict over access to resources and the equitable share of those resources, such as heat, water, and access to medical facilities and schools. More formal results indicators and data sheets have been developed, which report on infrastructure projects completed; number of beneficiaries; reduced tension and increased community capacity to identify and solve problems. Data collection on these indicators will begin in FY 2003. In FY 2002 USAID trained over 1,600 Uzbekistani citizens (50% women) in business, democratic reform, and primary health. The Umid Credit Union conducted an event that led to five new credit unions in Bukhara, Samarkand, Namangan, and Navoi oblasts. Eurasia's 38 grants, which averaged \$16,000, help implement USAID's objectives and complement other USAID programs in the economic and democracy sectors. One Uzbekistani NGO has begun lobbying for legislative change to improve housing associations in Uzbekistan.

By the end of the program in 2005, approximately 447,000 people will directly benefit from small-scale, community-driven projects. More importantly, the ties developed through the community strengthening component of this activity will build communities' capacity to deal with local conflicts before they become dangerous. Training and grants will strengthen entrepreneurship and citizen involvement in civil society and health care reform.

US Financing in Thousands of Dollars

Uzbekistan

	ESF	FSA
122-0420 Cross-cutting Programs		
Through September 30, 2001		
Obligations	112	16,550
Expenditures	112	14,485
Unliquidated	0	2,065
Fiscal Year 2002*		
Obligations	0	8,777
Expenditures	0	2,681
Through September 30, 2002		
Obligations	112	25,327
Expenditures	112	17,166
Unliquidated	0	8,161
Prior Year Unobligated Funds**		
Obligations	0	6,931
Planned Fiscal Year 2003 NOA		
Obligations	0	3,236
Total Planned Fiscal Year 2003		
Obligations	0	10,167
Proposed Fiscal Year 2004 NOA		
Obligations	0	3,222
Future Obligations	0	0
Est. Total Cost	112	38,716

*Fiscal Year 2002 includes \$4m of the Emergency Response Fund - FSA/NIS and \$684,353 of FY 2002 Supplemental - FSA/NIS.

**Prior Year Unobligated Funds includes \$6.816m of the FY 2002 Supplemental - FSA/NIS.