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AGENCY FOR INTERNATIONAL DEVELOPMENT

USAID/CAUCASUS

**RESULTS REVIEW AND
RESOURCE REQUEST**

FY 2000

AZERBAIJAN

MAY 1998

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LIST OF ACRONYMS

ACDI/VOCA	--	Agricultural Cooperative Development, Inc./Volunteers in Overseas Cooperative Assistance
CARE	--	Cooperative Assistance and Relief Everywhere
GoAz	--	Government of Azerbaijan
FINCA	--	Foundation for International Community Assistance
IDP	--	Internally Displaced Person/People
IFES	--	International Foundation for Election Systems
IRC	--	International Rescue Committee
IRI	--	International Republican Institute
ISAR	--	Institute for Social Action and Renewal
MCI	--	Mercy Corps International
NDI	--	National Democratic Institute
NGO	--	Non-Governmental Organization
NIS	--	New Independent States
NK	--	Nagorno-Karabakh
OSCE	--	Organization for Security and Cooperation in Europe
PVO	--	Private Voluntary Organization
SCF	--	Save the Children Federation
SME	--	Small and Medium Enterprise(s)
UMCOR	--	United Methodist Committee on Relief
UNHCR	--	United Nations High Commissioner for Refugees
USG	--	United States Government
WVI	--	World Vision International

AZERBAIJAN

FY 2000 RESULTS REVIEW

PART I. COUNTRY OVERVIEW

Of the three Caucasus countries, Azerbaijan has received the least attention and the lowest level of resources over the past several years. This is not a function of its lack of importance from a geopolitical and economic standpoint, but rather a result of Congressional prohibitions, outlined in Section 907 of the Freedom Support Act. These Section 907 restrictions have eased somewhat in the past year, opening some new opportunities for USAID assistance.

U.S. Foreign Policy Considerations

The mission has not been able to directly coordinate with Embassy/Baku to ensure inclusion of Mission Performance Plan thinking in this document. Nonetheless, USAID has worked closely with Embassy/Baku in the development of the FY 1998 budget over the past several months and has incorporated Embassy priorities in the Azerbaijan program.

Azerbaijan will become a major oil exporter in coming years. As such, it is of substantial interest to the U.S., in terms both of U.S. and international access to this strategic resource. Given its key location bordering both Russia and Iran and Russian interest in access to/control over Azerbaijani (and other neighboring countries') energy resources, Azerbaijan will continue to be under close international scrutiny and pressure regarding its allegiances and its political and economic partnerships. It should be noted that Azerbaijan has maintained an "arms' length" relationship with both Russia and Iran as a result of their challenges to Azerbaijani claims to Caspian seabed oilfields. It is in the U.S.' interests to ensure that Azerbaijan perceives the U.S. as a friend and ally.

Azerbaijan is also under intense international scrutiny as a result of its role in the Nagorno-Karabakh (NK) dispute. In part related to its significance as an energy exporter and Caspian transit point and in part due to humanitarian concerns, it is in the interest of the U.S. to continue to participate actively in the search for a peaceful resolution to this conflict.

Political Context

Over the reporting period, there have been important, albeit mixed, political changes in Azerbaijan. President Aliyev and his political opposition have begun positioning themselves for presidential elections slated for later in 1998. Although the President has affirmed his "dedication to human rights and democracy," this pose may be intended mainly to allow access into the Council of Europe and other European conventions. At the same time, there have been some notably anti-democratic actions, such as the January 1998 closure of more than 50 newspapers and private television stations and accusations of treason against an opposition contender for the presidency. Azerbaijan's democracy "indicators" place its degree of freeness at the bottom of the Newly Independent States (NIS).

The most important political issue is the dispute with Armenia over the disposition of NK, which is located within Azerbaijan but under the firm military control of ethnic Armenians. This dispute has resulted in the current Armenian occupation of approximately 20% of Azerbaijan. Although Azerbaijan was prepared to agree to an Organization for Security and Cooperation in Europe (OSCE) phased resolution to the conflict, Armenians in NK rejected the plan, and the recently elected president of Armenia has withdrawn Government of Armenia approval of that plan. Although NK is a political thorn in Azerbaijan's side, the situation does not appear to threaten plans to transport Caspian oil to the outside world through westward routes. Indeed, Armenia stands to lose more -- from an economic standpoint -- from the recent deterioration in negotiations on NK.

Economic Context

Economic growth in Azerbaijan was about 5% and came on the heels of a 1996 turnaround in the GDP after consistent decreases for the previous several years. Tight fiscal management brought formerly raging inflation down to about 3% in 1997. Azerbaijan's (current) external deficit/GDP ratio is among the highest in the NIS, but this is largely a function of the import of oil production machinery and goods and should improve markedly when Azerbaijan's "main oil" comes onstream.

The Government of Azerbaijan's (GoAz's) performance on economic policy changes has taken a distinct turn for the better this past year. Perhaps most important, Azerbaijan has begun to move rapidly in privatization of state-owned enterprises, with small-scale privatization slated to be completed this year, and will turn its attention to some 600 medium and large enterprises for privatization in 1998. (This is a welcome development, given that Azerbaijan has one of the NIS's lowest ratios -- about 40% -- of private sector output to GDP.) There has been action on reforms in the trade and exchange regime, and the Azerbaijani currency, the manat, is expected to be fully convertible by 1999. Another area of recent GoAz attention in economic reforms is the banking sector, which is heavily state-owned; in addition, the central bank has tightened its regulatory function with some apparent improvement in public confidence in the banking system. These positive changes should, however, be seen against a backdrop of the formerly strongly statist policies of the GoAz; Azerbaijan still has far to go in moving toward a market economy.

The most important factor in Azerbaijan's economy is, of course, energy production. Not only does the country expect to see a large increase in its exports of energy products, but it also stands to benefit significantly as a transport route for energy products from Kazakhstan and Turkmenistan, as production in those two countries increases. The impact of large increases in exports has a potentially negative aspect, i.e., if one sector of an economy (especially an export sector) grows much more rapidly than other sectors, this is likely to have a negative impact on sectors in competition, as the value of the country's currency appreciates (making imports more expensive) and as resources get drawn away from the non-favored sectors.

The GoAz, aware of this potential downside to the energy bonanza, has worked with multilateral organizations to define and seek external financing for a public sector investment program

designed to provide infrastructure development assistance to the non-energy sectors, so as to give them a “boost” and minimize the potentially negative effects of the coming oil boom. Another, related aspect of the energy boom will be the extent to which the windfall resources are used to the benefit of the economy and in an equitable manner throughout the economy.

Social Context

Perhaps the most important single element in the social welfare equation in Azerbaijan is the NK conflict and the resultant disruptions to people’s lives. Over 700,000 refugees and internally displaced people (IDPs) remain in Azerbaijan as a result of the continued dispute between Azerbaijan and Armenia over this region. These refugees and IDPs continue to live in highly unpleasant conditions, crowded into temporary camps and shelters with inadequate services and poor infrastructure.

There can be no change in the status of the majority of these refugees and IDPs until there is a peaceful settlement on the NK issue, i.e., the only option available -- other than resettlement in their areas of origin once a peace agreement is reached -- is to remain in the temporary camps and shelters, largely dependent on donor assistance for their means of survival. Approximately 60,000 refugees and IDPs may be able to return home in the near term; these are people whose homes were destroyed or damaged in areas immediately to the east of the ceasefire line prior to the ceasefire of May 1994. The United Nations High Commissioner for Refugees (UNHCR) and the World Bank are currently working on the design of a \$100 million resettlement program for this particular group of IDPs (who comprise less than 10% of the total refugee/IDP population).

As a matter of policy, the GoAz has not been willing to provide more than minimal support for refugees and IDPs, so as not to appear to be encouraging them to remain in their temporary locations or move to alternative, permanent locations (e.g., Baku). Within the past few months, the GoAz does, however, appear to be more willing to join with -- and contribute \$17 million to -- the World Bank and UNHCR in planning for the resettlement program mentioned above.

Azerbaijan has significant numbers of people who are neither IDPs nor refugees but nonetheless are vulnerable, e.g., the unemployed, female-headed households, disabled, and pensioners. In addition to high national poverty levels and rising inequality in the distribution of income, there are also significant regional disparities in economic activity and opportunities. Despite the problems and size of these non-IDP/refugee vulnerable groups, Embassy/Baku and USAID have made a policy decision to focus U.S. assistance primarily on the IDPs and refugees. This is due primarily to: a focus on IDPs/refugees as part of the peace process; lack of resources with which to expand current programs beyond IDPs/refugees; and difficulties in targeting these other vulnerable groups (which in part relates to Section 907 restrictions, weaknesses in the Azerbaijani NGO sector, and problems with local NGO registration).

The Azerbaijani NGO sector is weak and, for the most part, without independent resources. As a result, it cannot be counted on to provide assistance to vulnerable groups without support from

international donors. Thus, the burden of support for these people will continue to be on the international donor community for the foreseeable future.

USAID Program Strategy

Over the coming months, USAID/Caucasus will be preparing analysis and recommendations on a multi-year strategy for U.S. assistance to Azerbaijan. This strategy will reflect -- as does the current pattern of U.S. assistance -- the overall USG "mission performance plan." The current gameplan is to complete the analysis needed over the summer of 1998, with strategy development and submission occurring in the fall of this year. The strategy will look carefully at opportunities for encouraging regional cooperation among the three Caucasus states. The likely areas for such cooperation are outlined in a separate discussion paper on "U.S. Foreign Policy and the Caucasus: Defining a Role for USAID," to be discussed with ENI/Washington at the time of review of this current R4.

Program Management Considerations

For the past few years, USAID's program in the Caucasus has been managed at a limited staff level, although the Caucasus program has been the second largest of the four NIS programs and among the largest in the world. In earlier years, this was justified on the grounds that Caucasus programs were primarily humanitarian, consisting of large commodity donation components. Of course, this is no longer the case.

Nearly a year ago, given the planned movement away from humanitarian assistance and the fact that the dollar value of the overall program would approximately double in FY 1998, USAID/Caucasus and USAID/Washington management took extraordinary steps to build up the mission, both in terms of delegated authorities and staffing. Despite the fact that the Administrator personally directed the Agency to give USAID/C the highest priority in recruitment and staff expansion, there is a long way to go before USAID/Caucasus has the necessary human resources to manage the large, complex program that is already underway.

Part II: STRATEGIC OBJECTIVE RESULTS REVIEW

A. SAA #1: COMPETITIVE, MARKET-ORIENTED ECONOMY

1. Overview and Factors Affecting Program Performance

As noted in Part I above, there have been some positive economic policy steps taken by the GoAz in the past year, albeit without USAID assistance, given restrictions on U.S. assistance to the GoAz under Section 907. As stated in Part I above, economic growth in 1997 was about 5% and came on the heels of the 1996 turnaround in the GDP after several years of consistent declines. Tight fiscal management brought very high inflation rates down to about 3% in 1997. While the GoAz has shown some inclination to reform aspects of the economy over the past year, there is still considerable room for improvement in achieving a "market-orientation."

2. Strategic Objective 1.3 -- Accelerated Development and Growth of Private Enterprise

There are no approved results frameworks or performance measures for Azerbaijan in economic or other sectors. As a result, it is difficult to assess "program performance." The limited economic restructuring activities that USAID has funded to date in Azerbaijan have almost all fallen under SO 1.3 (with funding for SO 1.4 beginning in FY 1998 and increasing in future years, pending the availability of funds), but without a clear overall sector plan. By late 1998, USAID will have developed a country-wide strategy and sector-specific results frameworks for Azerbaijan.

Activity progress: The major USAID event in the economic restructuring sector over the past year has been the completion of the cooperative agreement for the Caucasus Small Enterprise Finance Program with Shore Bank Advisory Services and the Foundation for International Community Assistance (FINCA). While this activity is at least six months behind schedule, due to internal USAID delays in signing the cooperative agreement, the program is now mobilizing in Azerbaijan. Despite these delays, Shore Bank has completed banker loan officer training for the four private Azerbaijani banks with which it will be working. This training has led to the beginning of the credit program. Loans have started to be processed, but results are not available as first repayments are not yet due.

Simultaneously, FINCA is developing a village banking system (e.g., staff have been selected to work throughout Azerbaijan), which will provide direct loans to small businesses. USAID expects FINCA to begin lending in the third or fourth quarter of FY 1998. FINCA, in conjunction with Shore Bank, is working to provide market based loans. However, there is a concern about the credit gap that is developing in Azerbaijan in the \$1,000 to \$10,000 range. Shore Bank and FINCA are addressing this concern, and USAID/Caucasus plans to work more actively during FY 1998 to ensure that this gap is filled (through support for the development of entrepreneurs within the FINCA program needing larger loans and for those from the humanitarian micro-finance programs who are graduating to market based loans).

Eurasia has also been active in the economic restructuring sector in the past year, providing small grants to U.S. PVOs and indigenous NGOs. These grants have been awarded in economic development, government reform, and media/communications.

Finally, with USAID Bureau for Humanitarian Response funding, Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA) has been providing technical assistance and training to farmers and farm cooperatives in Azerbaijan over the past year. As a result of this technical assistance and training, a number of individual agribusinesses have become quite successful (e.g., kiwi and mushroom production and export). Additionally, in late FY 1998, ACDI/VOCA will begin a demonstration program for experimental projects to support the work of the volunteer farmers from the U.S. and to begin a domestic Azerbaijani farmer-to-farmer technical assistance program. USAID considers ACDI/VOCA activities to be on target and meeting expectations.

The Barents Group recently started a Commercial Bankers Training program in Azerbaijan. Five courses will be offered in FY 1998, and USAID expects that the program will develop further in FY 1999. The courses offered relate to bank management, risk management, an introduction to basic international accounting standards, supervision and reporting, among others.

Expected progress through FY 2000: During the coming reporting period, USAID expects to complete results packages for this and other sectors in Azerbaijan, therefore to have definitive objectives and measurable expectations for progress and achievement by the time of next year's R4. Such frameworks will significantly facilitate USAID's ability to focus its activities and its resources and to report on progress in the coming year and beyond.

Pending availability of funds in FY 1998 and beyond, USAID expects to initiate and/or expand several activities within its proposed strategy and results frameworks. For example, USAID anticipates initiating activities with small and medium enterprises in both rural and urban areas, providing assistance to both agricultural and non-agricultural activities. In the new small and medium enterprise (SME) development program, there will be a regional technical assistance program as well as an association development program.

USAID will continue and expand Barents' banker education activities (pending availability of funds) that would coordinate with, but be broader than, those already being undertaken by Shore Bank. Such broader banker education would focus on bank management in Azerbaijan (rather than just the small loan aspects currently being addressed by Shore Bank). The objective of this banker education would be more effective and efficient private banks.

Finally, USAID will support leadership training in economics, business and management under the Twenty-First Century Fund. Exact numbers of people to be trained and types of training are currently in the planning stages. Any leadership training related to economic restructuring in Azerbaijan will be made integral to our strategy and will be included as part of our strategy submission.

B. SAA #2: EMPOWERMENT OF CITIZENS THROUGH DEMOCRATIC POLITICAL PROCESS

1. Overview and Factors Affecting Program Performance

Given the general political situation in Azerbaijan, it is fair to say that there has not been any significant progress in empowering citizens through democratic political processes in the last year. The political situation has remained much the same, with some setbacks. However, some limited progress at the grassroots level has been achieved with USAID assistance.

2. Strategic Objective 2.1 -- Increased, Better Informed Citizens' Participation

Results frameworks have been drafted for the democracy and governance sector in Azerbaijan. However, these frameworks have not been reviewed or approved. As a result, a review of "results" in the sector at this point is a reporting on activities to date.

Activity progress: For the first few months of the reporting period, there appeared to be some GoAz movement towards loosening the bounds, both legislative and financial, on independent media, including both print and broadcast, although no move was made to end the official practice of censorship. A government crackdown in January 1998 on private television stations, during which four small regional stations were closed, has significantly deterred USAID efforts to support public access to information through independent media.

USAID's support to independent media over the past year has focussed on strengthening private television through technical assistance from Internews. Training and seminars have thus far been provided to approximately 50 journalists on such topics as: news reporting, TV management (including issues of advertising and budgeting), TV production, and equipment loans. In addition, Internews has assisted in the broadcasting of over 30 weekly editions of a national news exchange program to which six independent stations from five different Azerbaijani cities have contributed. Though registration and frequency allocation procedures still remain unclear and highly restrictive, media advocates are currently pursuing reform options on a legislative basis.

An average of one dozen dailies, located in the capital, constitute the print market in Azerbaijan. Printing is monopolized by the state publishing house, and newspapers are officially "reviewed"/censored prior to publication. News on such subjects as human rights abuses, criticism of government policy, criticism of the defense, security, police and other law-enforcement agencies and activities from opposition leaders are all eliminated by the censors. The Law on Media is vague and limits investigative reporting, and censorship often appears to be arbitrary. With USAID support through Eurasia and the Institute of Social Action and Renewal (ISAR) over the past year, Yeni Nasil, an indigenous press association, has been actively working with the Azerbaijani Parliament in an effort to amend the Law on Media.

Yeni Nasil has also drafted a law for the regulation of the broadcast media, which does not currently exist in Azerbaijan. With USAID funding, Internews has engaged an Azerbaijani legal

specialist to work with Yeni Nasil on this draft law in an effort to identify required steps to obtain a broadcasting license. This effort is in response to the uncertainty faced by local TV stations who have recently decided to form a broadcasting association; a charter is currently being drafted with assistance from Internews.

Despite an extremely restrictive political and legal environment, it is fair to say that USAID funded assistance for the development of the NGO sector has made limited but notable progress in the past year. At present, the major barriers inhibiting the growth and activity of the NGO sector is the absence of an NGO law that facilitates the registration process and a basic grants law that addresses tax issues (as well as general mistrust on the part of the GoAz). New NGOs are facing delays of up to a year to register officially with the Ministry of Justice. In addition, NGOs face severe financial constraints, with funding limited to contributions from international donors. Most Azerbaijani NGOs lack a well defined objective and good organizational structure. Because of the shaky legal and tax status of NGOs, fundraising and the confidence to engage on public policy advocacy is small and dispersed.

USAID supports the development of a viable NGO sector through ISAR, by providing extensive training, small grants and information/outreach. To date, 72 NGOs throughout the country have received grants to implement programs in areas such as: environmental reform, services for the disabled, children's rights, and media reform. A small corps of NGOs that has gone through ISAR's management training have developed organizational, strategic planning and fundraising capacities. There is still a considerable amount of work remaining to be done to address the many needs of the Azerbaijani NGO community.

USAID funding for the National Democratic Institute (NDI) is supporting a civic group called the Azerbaijan Civic Initiative which has made considerable progress in reaching out to citizens throughout the country on civic education issues. NDI has helped to establish eight regional centers to distribute voter education materials, conduct seminars aimed at increasing electorate participation and understanding of citizens' rights.

USAID also funds NDI activities in political party development which, to date, have met with limited success. While NDI has provided training in party management, constituency development, and campaign processes to a number of Azerbaijani political parties, the highly restrictive political environment and the near total lack of maturity in a plural context severely constrains all but the ruling party's ability to develop a regional network or a serious political platform.

Expected progress through FY 2000: Given the reduced restrictions in Section 907 for democracy development activities, USAID intends to begin several new programs and expand existing programs, subject to the availability of funding in FY 1998 and beyond.

Beginning in FY 1998, USAID will fund the International Foundation for Election Systems (IFES) to open an office in Baku and begin immediate assistance on the drafting of an election law which meets international standards in advance of Azerbaijan's scheduled 1998 Presidential

elections. IFES will work with the election commission and other government structures to improve transparency and effectiveness of election procedures, including training of election officials at all levels on new legislation, international norms, and ethical considerations. In addition, IFES will work with both governmental and non-governmental entities to develop and implement a broad-based voter education campaign.

Also beginning in FY 1998, USAID will fund the International Republican Institute (IRI) to begin work in Azerbaijan. IRI will work to complement and fill gaps in the NDI program, most likely in the areas of engagement of youth and women in political and democratic processes.

Subject to the availability of funds, USAID will support a new program of assistance for the development of an independent press in Azerbaijan, which would focus on journalistic skills and ethics, and financial and political sustainability.

Finally, subject to the availability of funds, USAID will be funding the American Bar Association (ABA) and AMEX to support legal reform initiatives for the first time in Azerbaijan. ABA will focus at the grass roots level, working with indigenous lawyers' groups, both commercial and defense, focusing on issues of advocacy, human rights, and sustainability. ABA will also be in a position to provide expert commentary on draft legislation to the GoAz on the pieces of legislation which specifically deal with issues of democratic development. AMEX will provide limited assistance, working in cooperation with other bilateral and multilateral donors on a variety of legislative and institutional reform initiatives, including possibly work toward the development of independent judiciary and reform of the procuracy.

It is anticipated that leadership training will be provided in support of legal and related democratic processes in Azerbaijan under the Twenty-First Century Fund. However, exact numbers and types of training appropriate to this sector have yet to be determined. Any leadership training appropriate to the governance sector in Azerbaijan will be an integral component of our results framework for this sector and will be included in our strategy submission.

As in other sectors in the coming year, USAID will develop and have approved results frameworks for democracy and governance in Azerbaijan, thereby improving our ability to report on and measure progress and achievements in the coming year and beyond.

C. SAA #3: STRENGTHENED CAPACITY TO MANAGE THE HUMAN DIMENSION OF THE TRANSITION

1. Overview and Factors Affecting Program Performance

As noted in Part I., over 700,000 refugees and IDPs remain in Azerbaijan as a result of the continued dispute over NK. These refugees and IDPs continue to live in highly unpleasant conditions. Despite these conditions, it is notable that, over the past year, there have been no major health epidemics in these camps and shelters nor have there been any instances of civil unrest or instability that would indicate that the conditions in which these refugees and IDPs live are beyond acceptable limits. The GoAz, as a matter of policy, has not provided support for these refugees and IDPs, although this situation may be changing somewhat as the government may be willing to commit funding and support for a World Bank/UNHCR resettlement program. Nonetheless, the Azerbaijani NGO sector is weak and the GoAz is unwilling to assist the refugees/IDPs in their "temporary" circumstances, therefore the international donor community, of which USAID is a major part, will have to continue to support this vulnerable group for the foreseeable future.

2. Strategic Objective 3.1 -- Reduced Human Suffering in Azerbaijan

As noted above, refugees and IDPs continue to be dependent on donated food, forced to remain in inadequate and poorly maintained "temporary" shelters, with few income-generating and self-help opportunities available. Thus, it is difficult to reach the conclusion that there has been any measurable reduction in suffering over the past year. USAID can, however, state that there has been no worsening in the conditions surrounding these vulnerable groups and that our assistance has helped to maintain their circumstances at a tolerable level.

Additionally, success can be measured to the extent that programs are able to be expanded to meet needs which could not be addressed earlier due to Section 907 restrictions. Section 907 guidelines were revised in October 1996 which permit emergency repairs necessary for safety, health and sanitation to public buildings used to house refugees and IDPs and which allow implementors to work through GoAz health facilities. This has allowed new programs to be implemented during 1997. By the end of 1997, over 21,000 families benefitted from rehabilitated housing, with safe electrical systems, working plumbing, and basic winterization.

Since there are no approved results frameworks for the humanitarian sector in Azerbaijan, there are no explicit objectives against which we can measure USAID performance over the past year. Instead, USAID can report on activity-specific achievements over the past year. Once a new strategy is submitted and approved in late 1998, the mission will be in a better position to assess results vis-a-vis expectations in the coming year.

Activity Progress: USAID humanitarian assistance programs in Azerbaijan have been implemented primarily through umbrella mechanisms and international organizations. The USAID cooperative agreement with Save the Children (SCF) has provided at least twelve

subgrants to a variety of (mostly international rather than Azerbaijani) NGOs in Azerbaijan over the past several years (a total of 28 subgrants since 1993). All of these subgrants have worked to ameliorate the conditions in which IDPs and refugees live. Program implementation under the SCF cooperative agreement ended at the end of April 1998. Simultaneously, a new umbrella mechanism -- awarded to Mercy Corps International (MCI) -- was signed in February 1998 to initiate a new era of assistance and support to IDPs and refugees in the areas of health care delivery, shelter rehabilitation and, most importantly, income generation. (This new MCI agreement is targeted specifically at Azerbaijan rather than for the Caucasus region as a whole). By the end of this current reporting period, MCI has established on-the-ground operations in Azerbaijan and had reviewed and approved nine subgrants which will begin operations by May-June 1998. Thus, USAID's humanitarian assistance to IDPs and refugees has been uninterrupted during the reporting period, despite the change in implementing partners.

The SCF subgrant activities that have been implemented over the past year have, overall, done well in providing quality services to vulnerable people under difficult circumstances. For example, Relief International has successfully implemented a system of twelve mobile and eight fixed health clinics which has provided primary health care to refugees and IDPs in fourteen districts of Azerbaijan. Through this system, primary health care has been made available to a beneficiary population of approximately 250,000. The system is currently providing over 23,000 patient consultations per month. This number has been falling over the life of the sub-grant from an initial number of nearly 30,000 consultations per month, which may be indicative of a stabilization and possible improvement in the health situation for IDPs and refugees. In addition, through Relief International's UNHCR-funded reproductive health program, training has been provided to all USAID-funded physicians and nurses.

As another example, the United Methodist Committee on Relief (UMCOR) has provided an integrated health care program which provides approximately 140,000 IDPs with primary health care, immunization, micronutrient supplementation and health education services. While it is as yet too early to report on actual health results from this activity, it can be reported that drop-out rates from health education classes have been very low and that over 80% of the women (roughly 5,500 individuals) in one target area have attended health training classes.

Among a number of housing subgrants, MCI and World Vision have undertaken public building rehabilitation projects and have completed work on over 80 public buildings in Baku and Sumgait which house approximately 22,000 refugees and IDPs. As another example, CARE and the International Rescue Committee (IRC) have provided materials and guidance which has enabled the construction of housing for over 3,100 IDP families. This housing generally includes latrines and often includes hand pumps for water.

Several SCF subgrantees have experienced some management and related implementation problems which have reduced or delayed progress below expectations. It needs to be acknowledged, however, that the circumstances in which these NGOs work are difficult at best. The worst delays were encountered during negotiations for the last extension of the SCF cooperative agreement, which delayed the start-up of some new programs.

Expected progress through FY 2000: USAID is not in a position to ensure a peaceful settlement of the NK dispute, therefore to the continuing problems of the IDPs and refugees. In the event peace is successfully negotiated within the next year, USAID expects to see -- and will be an active participant in ensuring that -- fewer than 50,000 IDPs remain in camps or other temporary shelters by 2000. Regardless of the successful completion of peace negotiations, some resettlement is possible in 1998 for areas close to the current ceasefire line. Toward this end, USAID is currently examining options (pending availability of funds) for complementing the World Bank/UNHCR's \$100 million resettlement program. Any USAID involvement in this program would be through subgrants under the mission's existing MCI umbrella mechanism and/or UNHCR since Section 907 restrictions still apply to reconstruction activities undertaken directly with the GoAz.

In addition to possible resettlement activities, USAID will continue to work directly with IDPs in their temporary locations to help alleviate some of their difficulties. Subgrant activities under the new MCI grant will provide a new emphasis on self-help and income generating activities for IDPs and refugees than in prior years, although the more traditional (health care and shelter rehabilitation) activities will also continue. Given the nature of refugee and IDP problem in Azerbaijan, USAID's expectations will continue to be to maintain stability and reduce suffering to the extent possible for these groups. The extent to which USAID's expectations can be met will depend on the amount of funds made available to Azerbaijan as a whole as well as the proportion made available to humanitarian assistance within that whole.

The potential exists for leadership training in the social sector under the Twenty-First Century Fund. However, no firm plans have been made regarding the priority of social sector vs. other sector leadership training in Azerbaijan as yet. Any decisions on leadership training will be part of the analysis, justification and articulation of our strategy submission.

D. SAA #4: SPECIAL INITIATIVES AND CROSS-CUTTING PROGRAMS

1. Overview and Factors Affecting Program Performance

Since activities included under cross-cutting programs are not specific to any sector, there is no overall progress to report here. In general, USAID can say that progress in individual activities under this "strategic area" heading is satisfactory and on target.

2. Strategic Objective 4.2 -- Cross-Cutting Issues

To date, the mission has included all training activities under this SO, despite their connection to specific activities under other, more sector-specific strategic objectives. In 1997, USAID funded 13 Azerbaijani trainees to the U.S., all for training in democracy and governance-related areas, and 99 trainees for in-country training programs, all for economic restructuring-related programs.

Expected Progress through FY 2000: USAID/Caucasus believes that training is one means to achieve developmentally higher level, sector-specific ends. Thus, it seems appropriate in the coming year, to explicitly integrate our training efforts into our sector-specific strategic planning. As a result, it is anticipated that Strategic Objective 4.2 will no longer be necessary as part of the Azerbaijan program, except perhaps as a funding convenience; this recommendation is likely to be included in our strategy submission.

In this context, it is important to mention the importance that the mission attaches to the new Twenty-First Century Fund. While each of the mission's strategic objective teams will ensure that Twenty-First Century leadership training is integrated into its larger strategy and portfolio (and the results of this training over time reported on a sector-specific basis), the mission will also ensure that, beginning in FY 1999, leadership training is followed and reported on as a cross-cutting theme.

E. RELATED CONCERNS

1. Partnership for Freedom

The program in Azerbaijan will continue to emphasize humanitarian assistance but will also increase its activities in democracy and economic restructuring as well. Although most of USAID's interventions to date have focussed on emergency assistance, several activities will begin to lay the groundwork for an increased emphasis on the Partnership for Freedom in the coming year. For example, hospital and other health partnerships will demonstrate the benefits to be derived by direct, cooperative relationships between U.S. and Azerbaijani institutions. The Twenty-First Century Fund will establish partnership training and exchange opportunities and initiate at least two U.S.-Azerbaijani institutional alliances by the end of FY 1999. The

upcoming strategic planning process will continue to identify ways to promote partnership ties between the U.S. and Azerbaijan.

2. Environmental Compliance

The Azerbaijan program for FY 1998-2000 at present is largely limited to humanitarian assistance. Wherever appropriate, e.g., for commodity procurement or shelter rehabilitation, USAID/C will prepare environmental analyses in accordance with CFR 216 and will assure the implementation of risk-minimization actions prior to deliveries. Other authorization to be sought by USAID/C are likely to consist solely of technical assistance activities which qualify for a Categorical Exclusion.

PART III: STATUS OF THE MANAGEMENT CONTRACT

A. Strategic Planning

During the next several months, USAID/Caucasus will be preparing a multi-year strategy for U.S. assistance to the Caucasus countries. As part of that document, the mission will propose a revised set of strategic objectives, results frameworks, performance monitoring plans, and budgets. Thus, no changes in the current SO frameworks are recommended in this R4 submission.

Focus of Strategy Development: In a separate discussion paper, the mission has outlined the important directions it wants to take for developing strategies for the Caucasus region. First, the mission indicated that the country strategies expand the focus from a primarily bilateral focus and duplication of similar activities in each country to one that increasingly addresses the uniqueness of each country's needs and opportunities for regional cooperation and integration. Second, the mission indicated that it will explore opportunities to harmonize, consolidate and/or eliminate SOs in an effort to more effectively manage interventions and to track measurable achievements attributable to USAID activities. The mission requests a separate meeting to discuss the concepts raised in this paper so that a common understanding is reached between ENI/W and field staff prior to the intensive development of strategy documents.

Analyses: Since last year's R4 review, the mission has completed a SME assessment for all three countries, a Caucasus-wide agricultural inputs study, and a reproductive health survey. USAID has also collaborated with USDA on identifying potential regional activities. A health sector assessment is currently being conducted, with ENI/W assistance. A USAID/W team has also been planning to assess and make recommendations on how to better integrate gender considerations into the USAID/Caucasus program. There also has been discussion of a ENI/W team coming out to make recommendations on how to better integrate economic and democracy activities into a more unified legal reform program. The mission asks that these remaining assessments be completed during the May/July period.

Schedule: To assist ENI/W TDY planning, the mission proposes the following general schedule for strategy development:

May/July	Complete background analyses; mission articulate SO statements.
July/Sept.	Draft country analysis/overview sections; develop results frameworks and indicators; conduct any remaining analyses for program thrust and regional cooperation.
Sept./Oct.	(1)Collect data, identify baseline and targets, finalize performance monitoring plans for country programs;

(2)Draft regional overview and develop any "truly regional SOs" that may have been identified through earlier planning (country specific plans will have also identified ways to promote regional cooperation).

November Complete mission strategies; share draft strategies with respective U.S. Embassies.

December Finalize and submit to ENI/W.

B. Mission Staffing/Coordination with ENI/W

Program funding levels in the Caucasus are high and likely to remain high for the foreseeable future. The political and economic importance and resultant attention the USG places on this region will continue -- and possibly even increase -- for some time to come. Given the ripe policy environment in which we're operating, the considerable lessons learned from other transitional countries, and our credibility with the host country governments through achievements to date, USAID has the opportunity to make a significant difference in the Caucasus. Additionally, given the high political profile of the region, it is incumbent upon us to make every effort to capitalize on these opportunities -- but to do so, we need the full support of the ENI Bureau and of the Agency itself.

The next six months will be very intensively demanding for USAID/Caucasus with strategy development, the move to Tbilisi, and ongoing program implementation. While additional mission staff, currently being recruited, will help the mission in advancing the Caucasus program, there will still be a great deal of work that needs to be done. The mission is keenly aware of its programmatic and management vulnerabilities both as stewards responsible for U.S. resources and as achievers of significant and lasting development results in this region. In order to reduce these vulnerabilities as much as possible and maximize program impact, the mission needs greater responsiveness and more support from ENI/W in program development, implementation and management. The mission proposes that, in addition to a side meeting on strategic concepts, there also be a separate meeting to discuss ways to: (1) ensure the mission receives the full support and attention it needs; and (2) improve bureau/mission coordination and communication on program and management concerns. While specific topics for such a proposed meeting will be detailed separately, the mission is providing an illustrative list:

- A definitive plan for the deployment of staff (TDY and/or permanent in the field) to establish and implement appropriate management systems;
- Agreement on the division of responsibilities between ENI/W and mission staff, both technical and support, and on how related communications will be assured (e.g., on budget decisions, planned expenditures and actual obligations);
- Agreement on the division of (and changes in) contracting and COTR responsibilities between field and Washington;

- A mechanism for planning and coordinating TDY to ensure maximum productivity in the field for everyone involved;
- Agreement on how and when the ENI Bureau will work with the mission to develop a system that will provide timely and reliable access to such important management data as pipelines, rates of disbursement, activity and contract/grant life-of-project ceilings;
- Discussion on the provision of important support equipment, such as communications hardware within the region (to ensure the mission can communicate more quickly and effectively among the three countries).

PART IV: RESOURCE REQUEST

A. Program Priorities and Budget Request

In the absence of a clearly stated strategic objectives, performance to date and anticipated performance in the coming two years is difficult to assess. In addition, given communications problems and timing problems (the Embassy's Mission Performance Plan is being prepared simultaneous with this R4), the mission has been unable to obtain a copy of Embassy/Baku's MPP for inclusion in this document. Thus, for the time being, USAID's program prioritization is based on an assessment of overall country needs as well as on mission knowledge of Embassy priorities and concerns.

As noted in Part I., above, humanitarian assistance specifically for IDPs and refugees has been deemed the highest priority for both Embassy/Baku and USAID/C, based in part on U.S. interests in supporting a peace settlement in the NK dispute and in part on USAID funding restrictions imposed by Section 907 which limits USAID's ability to work with non-IDPs/refugees in Azerbaijan. Thus, humanitarian assistance -- targeted at vulnerable populations in temporary settlements and, if/when appropriate, those in the process of resettlement -- will continue to be USAID's highest priority for resources and attention in Azerbaijan for the coming two years. As noted throughout the text above, the extent to which USAID can address the humanitarian needs of IDPs/refugees as well as other vulnerable groups in Azerbaijan will depend upon the amount of total country funding available as well as on the availability of discretionary funding in FY 1998 and beyond.

USAID's second priority in resources and focus for Azerbaijan in the next two years will be the democracy sector, since the Azerbaijani public needs to better understand what democracy means and since the Azerbaijani political system needs to be liberalized to allow a number of economic reforms to take place. Again, the extent to which USAID can address needs and achieve results will depend heavily on the total country program level and, within that, on the availability of discretionary funding for democracy activities.

The third priority for USAID/C in the coming years will be in economic reforms. While Azerbaijan is expecting significant economic gains from oil revenues to begin flowing in the coming several years, in the absence of donor assistance, there will remain economic policy problems which will affect the equitable distribution of and access to economic resources and opportunities in the country. Thus, to the extent it can, given Section 907 restrictions at the present time, USAID/C needs to continue to support and encourage economic reforms wherever possible. It should be noted that the mission plans to continue and expand banker training activities under SO 1.4. However, under country level and earmark levels required for this R4, no funds have been made available in the attached FY 1999 and FY 2000 program budget tables. The extent to which results can be achieved under either SO 1.3 or SO 1.4 in future years will depend on the availability of funds.

Mention needs to be made of funding levels for the Twenty-First Century Fund under SO 4.2 (for the Academy for Educational Development). The Twenty-First Century Fund proposal recently submitted to ENI/Washington specified much higher levels of investment (\$6.538 million in FY 1999 and \$8.105 million in FY 2000) in long-term management, economics and business training. However, the Twenty-First Century Fund has also planned for approximately 10% of each Caucasus country's total budget. Since the total amounts given in the Twenty-First Century Fund proposal are significantly higher than 10% of the total country levels, the mission has chosen to use the 10% figure rather than the actual numbers provided in the proposal for purpose of the attached program budget tables. As total country budget levels increase for Azerbaijan, it is expected that the actual amounts for the Twenty-First Century Fund will also increase.

At this time, USAID/C does not anticipate widening the scope of its activities in Azerbaijan into additional sectors, such as infrastructure. Should Section 907 restrictions be lifted and significant political and economic reforms begin to take place in Azerbaijan (and should country specific funding levels stabilize and increase), USAID will be willing to reconsider this position.

B. Operating Expense and Workforce Request

The Azerbaijan program has grown 30% to \$21.4 million in FY 1998 and is planned to grow 47% to \$31.5 million in FY 1999. As a result of this rapid growth the in-country presence will, for the first time in late FY 1998, have 2 USDH employees and 2 internationally recruited USPSCs. The total staff, including FSNs, at the end of FY 1998 will be at 18 and remain at that level for the foreseeable future.

The mission is budgeting \$561,000 for FY 1998, which reflects costs related to staffing up the office and purchase of household and office furniture and equipment. Of note is that residential rents run about \$60,000 per year -- but, for the near future, this is moderated by having a USDH tandem couple at post. Of particular concern to the mission is the ICASS charge of \$200,000 which reflects the high level of service provided by the Embassy -- and the extraordinary cost of doing business in Azerbaijan. USAID hopes to re-negotiate this ICASS bill very shortly, but at this date \$200,000 is our best estimate. The OE budget drops to \$488,500 in FY 1999 as the mission stabilizes, with a slight rise in FY 2000 to \$495,600 as staff become eligible for home leave or transfer.

There are no Y2K compliance issues unique to the Mission.

Operating Expenses

Org. Title: USAID/CAUCASUS--AZERBAIJAN Org. No: OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH			0			0			0			0			0
	Subtotal OC 11.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0			0			0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0			0			0			0
11.5	FNDH			0			0			0			0			0
	Subtotal OC 11.5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries	0		0	0		0		0	0		0		0		0
11.8	FN PSC Salaries	26		26	30		30		30	33		33		33		33
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0		0			0		0		0
	Subtotal OC 11.8	26	0	26	30	0	30	30	0	30	33	0	33	33	0	33
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances	0		0	0		0		0	0		0		0		0
12.1	Cost of Living Allowances	0		0	0		0		0	0		0		0		0
12.1	Home Service Transfer Allowances	0		0	0		0		0	0		0		0		0
12.1	Quarters Allowances	0		0	0		0		0	0		0		0		0
12.1	Other Misc. USDH Benefits	0		0	0		0		0	0		0		0		0
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Payments to the FSN Separation Fund - FNDH			0			0		0			0		0		0
12.1	Other FNDH Benefits			0			0		0			0		0		0
12.1	US PSC Benefits	0		0	0		0		0	0		0		0		0
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Payments to the FSN Separation Fund - FN PSC			0			0		0			0		0		0
12.1	Other FN PSC Benefits	1.5		1.5	1.5		1.5		1.5	1.6		1.6		1.6		1.6
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0		0			0		0		0
	Subtotal OC 12.1	1.5	0	1.5	1.5	0	1.5	1.5	0	1.5	1.6	0	1.6	1.6	0	1.6
13	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	Severance Payments for FNDH			0			0		0			0		0		0
13	Other Benefits for Former Personnel - FNDH			0			0		0			0		0		0
13	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13	Severance Payments for FN PSCs			0			0		0			0		0		0
13	Other Benefits for Former Personnel - FN PSCs			0			0		0			0		0		0

Operating Expenses

Org. Title: USAID/CAUCASUS--AZERBAIJAN Org. No: OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total												
Subtotal OC 13.0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	
21	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Training Travel	3		3	13		13	13		13	10		10	10		10
21	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Post Assignment Travel - to field	12		12	0		0	0		0	0		0	0		0
21	Assignment to Washington Travel	0		0	0		0	0		0	0		0	0		0
21	Home Leave Travel			0	0		0	0		4		4	4		4	
21	R & R Travel	0		0	3		3	3		3		3	3		3	
21	Education Travel	0		0	0		0	0		0		0	0		0	
21	Evacuation Travel			0			0			0		0			0	
21	Retirement Travel	0		0			0			0		0			0	
21	Pre-Employment Invitational Travel			0			0			0		0			0	
21	Other Mandatory/Statutory Travel			0	2		2	2		2		2	2		2	
21	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21	Site Visits - Headquarters Personnel	6		6	15		15	15		15	15		15	15		15
21	Site Visits - Mission Personnel	3		3	12		12	12		12	12		12	12		12
21	Conferences/Seminars/Meetings/Retreats	2.5		2.5	2.5		2.5	2.5		2.5	3		3	3		3
21	Assessment Travel			0			0			0		0			0	
21	Impact Evaluation Travel			0			0			0		0			0	
21	Disaster Travel (to respond to specific disasters)			0			0			0		0			0	
21	Recruitment Travel			0			0			0		0			0	
21	Other Operational Travel	2		2	2		2	2		2		2	2		2	
Subtotal OC 21.0		28.5	0	28.5	49.5	0	49.5	49.5	0	49.5	51	0	51	51	0	51
22	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22	Post assignment freight	35		35	0		0	0		0	0		0	0		0
22	Home Leave Freight			0	0		0	0		5		5	5		5	
22	Retirement Freight			0	0		0	0		0		0	0		0	
22	Transportation/Freight for Office Furniture/Equip.	10.4		10.4	1.1		1.1	1.1		1.1	2		2	2		2
22	Transportation/Freight for Res. Furniture/Equip.	13		13	0.6		0.6	0.6		0.6	2		2	2		2
Subtotal OC 22.0		58.4	0	58.4	1.7	0	1.7	1.7	0	1.7	9	0	9	9	0	9
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space	71.6		71.6	71.6		71.6	71.6		71.6	72		72	72		72
23.2	Rental Payments to Others - Warehouse Space	0		0	0		0	0		0		0	0		0	
23.2	Rental Payments to Others - Residences	60		60	60		60	60		60	66		66	66		66
Subtotal OC 23.2		131.6	0	131.6	131.6	0	131.6	131.6	0	131.6	138	0	138	138	0	138
23.3	Communications, utilities, and miscellaneous charge	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities	6		6	6		6	6		6	10		10	10		10
23.3	Residential Utilities	1.5		1.5	1.5		1.5	1.5		1.5	2		2	2		2
23.3	Telephone Costs	5		5	5		5	5		5	6		6	6		6
23.3	ADP Software Leases			0			0			0			0			0

Operating Expenses

Org. Title: USAID/CAUCASUS--AZERBAIJAN Org. No: OC		Overseas Mission Budgets														
		FY 1998			FY 1999 Target			FY 1999 Request			FY 2000 Target			FY 2000 Request		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
23.3	ADP Hardware Lease			0		0			0			0			0	
23.3	Commercial Time Sharing			0		0			0			0			0	
23.3	Postal Fees (Other than APO Mail)			0		0			0			0			0	
23.3	Other Mail Service Costs			0		0			0			0			0	
23.3	Courier Services	1		1	1	1	1		1	1	1	1	1		1	
	Subtotal OC 23.3	13.5	0	13.5	13.5	0	13.5	13.5	0	13.5	19	0	19	19	0	19
24	Printing and Reproduction			0		0			0			0			0	
	Subtotal OC 24.0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations			0		0			0			0			0	
25.1	Management & Professional Support Services	0		0		0			0			0			0	
25.1	Engineering & Technical Services			0		0			0			0			0	
	Subtotal OC 25.1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	2		2	20		20	20		20	22		22	22		22
25.2	Residential Security Guard Services			0		0			0			0			0	
25.2	Official Residential Expenses			0		0			0			0			0	
25.2	Representation Allowances	0		0	0		0	0		0		0		0	0	
25.2	Non-Federal Audits			0		0			0			0			0	
25.2	Grievances/Investigations			0		0			0			0			0	
25.2	Insurance and Vehicle Registration Fees			0		0			0			0			0	
25.2	Vehicle Rental			0		0			0			0			0	
25.2	Manpower Contracts			0	0		0	0		0		0		0	0	
25.2	Records Declassification & Other Records Services			0		0			0			0			0	
25.2	Recruiting activities			0		0			0			0			0	
25.2	Penalty Interest Payments	0.5		0.5	0.5		0.5	0.5		0.5		0.5		0.5	0.5	
25.2	Other Miscellaneous Services	0		0	0		0	0		0		0		0	0	
25.2	Staff training contracts	0		0		0		0		0		0		0	0	
25.2	ADP related contracts			0		0			0			0			0	
	Subtotal OC 25.2	2.5	0	2.5	20.5	0	20.5	20.5	0	20.5	22.5	0	22.5	22.5	0	22.5
25.3	Purchase of goods and services from Government ac	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.3	ICASS	200		200	200		200	200		200	200		200	200		200
25.3	All Other Services from Other Gov't. accounts			0		0			0			0			0	
	Subtotal OC 25.3	200	0	200	200	0	200	200	0	200	200	0	200	200	0	200
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.4	Office building Maintenance	0.7		0.7	0.7		0.7	0.7		0.7		0.7		0.7		0.7
25.4	Residential Building Maintenance	1		1	1		1	1		1		1		1		1
	Subtotal OC 25.4	1.7	0	1.7	1.7	0	1.7	1.7	0	1.7	1.7	0	1.7	1.7	0	1.7

Workforce

FY98 Azerbaijan

Org. FY 1998 On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	0.5	0	1	0	0	0	0	1.5	0.5	0	0	0	0	0	0.5	2
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Program	1	1	0	0	0	0	0	2	0	0	0	0	0	0	0	2
FSN/TCN Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited								0							0	0
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	0.5	0	0	0	0	0	0	0.5	0.5	1	5	0	0	0	6.5	7
Program	3	2	2	0	0	0	0	7	0	0	0	0	0	0	0	7
Total Staff Levels	5	3	3	0	0	0	0	11	1	1	5	0	0	0	7	18
TAACS								0							0	0
Fellows								0							0	0

1/ Excluding TAACS and Fellows

Workforce

FY99 Azerbaijan

Org. FY 1999 Target On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire								0							0	0
Other U.S. Citizens: 1/ OE Internationally Recruited								0							0	0
OE Locally Recruited Program								0							0	0
FSN/TCN Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited								0							0	0
FSN/TCN Non-Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited Program								0							0	0
Total Staff Levels	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TAACS								0							0	0
Fellows								0							0	0

1/ Excluding TAACS and Fellows

Org. FY 1999 Request On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	0.5	0	1	0	0	0	0	1.5	0.5	0	0	0	0	0	0.5	2
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited Program	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Program	1	1	0	0	0	0	0	2	0	0	0	0	0	0	0	2
FSN/TCN Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited								0							0	0
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited	0.5	0	0	0	0	0	0	0.5	0.5	1	5	0	0	0	6.5	7
Program	3	2	2	0	0	0	0	7	0	0	0	0	0	0	0	7
Total Staff Levels	5	3	3	0	0	0	0	11	1	1	5	0	0	0	7	18
TAACS								0							0	0
Fellows								0							0	0

1/ Excluding TAACS and Fellows

Workforce

FY00 Azerbaijan

Org. FY 2000 Target On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire								0							0	0
Other U.S. Citizens: 1/ OE Internationally Recruited								0							0	0
OE Locally Recruited Program								0							0	0
FSN/TCN Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited								0							0	0
FSN/TCN Non-Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited Program								0							0	0
Total Staff Levels	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TAACS								0							0	0
Fellows								0							0	0

1/ Excluding TAACS and Fellows

Org. FY 2000 Request On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire	0.5	0	1	0	0	0	0	1.5	0.5	0	0	0	0	0	0.5	2
Other U.S. Citizens: 1/ OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited Program	1	1	0	0	0	0	0	2	0	0	0	0	0	0	0	2
FSN/TCN Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited								0							0	0
FSN/TCN Non-Direct Hire: OE Internationally Recruited	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OE Locally Recruited Program	0.5	0	0	0	0	0	0	0.5	0.5	1	5	0	0	0	6.5	7
	3	2	2	0	0	0	0	7	0	0	0	0	0	0	0	7
Total Staff Levels	5	3	3	0	0	0	0	11	1	1	5	0	0	0	7	18
TAACS								0							0	0
Fellows								0							0	0

1/ Excluding TAACS and Fellows

Workforce

Org. FY 2001 On-Board Estimate	SO/SpO Staff							Total SO/SpO Staff	Management Staff						Total Mgmt.	Grand Total Staff
	SO 1	SO 2	SO 3	SO 4	SpO 1	SpO 2	SpO 3		Org. Mgmt.	Con- troller	AMS/ EXO	Con- tract	Legal	All Other		
U.S. Direct Hire								0							0	0
Other U.S. Citizens: 1/ OE Internationally Recruited								0							0	0
OE Locally Recruited Program								0							0	0
FSN/TCN Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited								0							0	0
FSN/TCN Non-Direct Hire: OE Internationally Recruited								0							0	0
OE Locally Recruited Program								0							0	0
Total Staff Levels	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TAACS								0							0	0
Fellows								0							0	0

1/ Excluding TAACS and Fellows

Workforce

MISSION :

USDH STAFFING REQUIREMENTS BY SKILL CODE

BACKSTOP (BS)	NO. OF USDH EMPLOYEES IN BACKSTOP FY 98	NO. OF USDH EMPLOYEES IN BACKSTOP FY 99	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2000	NO. OF USDH EMPLOYEES IN BACKSTOP FY 2001
01SMG				
02 Program Off.				
03 EXO				
04 Controller				
05/06/07 Secretary				
10 Agriculture.				
11Economics				
12 GDO				
12 Democracy				
14 Rural Dev.				
15 Food for Peace				
21 Private Ent.				
25 Engineering				
40 Environ				
50 Health/Pop.				
60 Education				
75 Physical Sci.				
85 Legal				
92 Commodity Mgt				
93 Contract Mgt				
94 PDO				
95 IDI				
Other*				
TOTAL	0	0	0	0

*please list occupations covered by other if there are any

USAID FY 2000 BUDGET REQUEST BY PROGRAM/COUNTRY
AZERBAIJAN

10-Nov-98
08:28 AM

Country/Program:
Scenario: Base Level

S.O. # , Title	FY 2000																Future Cost (POST 2000)	Year of Final Oblig.
	Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 99	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 00	Est. Total Cost life of SO		
1.1 ; 1.2																		
	Bilateral	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1.3																		
	Bilateral	N/A	3,500	0	0	3,500	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total		0	3,500	0	0	3,500	0	0	0	0	0	0	0	0	0	0	0
1.4																		
	Bilateral	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1.5																		
	Bilateral	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.1																		
	Bilateral	N/A	2,150	0	0	0	0	0	0	0	0	0	0	2,150	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total		0	2,150	0	0	0	0	0	0	0	0	0	2,150	0	0	0	0
2.2																		
	Bilateral	N/A	300	0	0	0	0	0	0	0	0	0	0	300	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total		0	300	0	0	0	0	0	0	0	0	0	300	0	0	0	0
3.1																		
	Bilateral	N/A	13,100	0	0	13,100	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total		0	13,100	0	0	13,100	0	0	0	0	0	0	0	0	0	0	0
4.1 ; 4.2																		
	Bilateral	N/A	5,450	0	0	2,450	750	0	750	0	1,500	0	0	0	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total		0	5,450	0	2,450	750	0	750	0	1,500	0	0	0	0	0	0	0
Total Bilateral			0	24,500	0	0	19,050	750	0	750	0	1,500	0	2,450				
Total Field Support			0	0	0	0	0	0	0	0	0	0	0	0				
TOTAL PROGRAM			0	24,500	0	0	19,050	750	0	750	0	1,500	0	2,450				0

FY 2000 Request Sector Totals -- DA	
Econ Growth	19,050
[Of which Microenterpris]
HCD	2,450
PHN	3,000
Environment	0
[Of which Biodiversity]]
Democracy	2,450
Humanitarian	13,100

FY 2000 Request Sector Totals -- ESF	
Econ Growth	1,500
[Of which Microenterprise]]
HCD	
PHN	2,450
Environment	0
[Of which Biodiversity]]
Democracy	0
Humanitarian	0

FY 2001 Target Program Level	0
FY 2002 Target Program Level	0
FY 2003 Target Program Level	0

USAID FY 1999 Budget Request by Program/Country
AZERBAIJAN

10-Nov-98
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Country/Program:
Scenario: Base Level

S.O. # , Title	Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 98	Estimated Total	FY 1999										Est. Expend. FY 99	Est. Total Cost life of SO	Future Cost (POST 2000)	Year of Final Oblig.	
					Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G					
1.1 ; 1.2																			
		Bilateral	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
		Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1.3																			
		Bilateral	N/A	4,500	0	0	4,500	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
		Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Total	0	4,500	0	0	4,500	0	0	0	0	0	0	0	0	0	0	0	
1.4																			
		Bilateral	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
		Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1.5																			
		Bilateral	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
		Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2.1																			
		Bilateral	N/A	2,050	0	0	0	0	0	0	0	0	0	2,050	N/A	N/A	N/A	XX	
		Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Total	0	2,050	0	0	0	0	0	0	0	0	0	2,050	0	0	0	0	
2.2																			
		Bilateral	N/A	450	0	0	0	0	0	0	0	0	0	450	N/A	N/A	N/A	XX	
		Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Total	0	450	0	0	0	0	0	0	0	0	0	450	0	0	0	0	
3.1																			
		Bilateral	N/A	12,500	0	0	12,500	0	0	0	0	0	0	0	N/A	N/A	N/A		
		Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Total	0	12,500	0	0	12,500	0	0	0	0	0	0	0	0	0	0	0	
4.1 ; 4.2																			
		Bilateral	N/A	5,500	0	0	2,500	750	0	750	0	1,500	0	0	N/A	N/A	N/A		
		Field Spt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Total	0	5,500	0	0	2,500	750	0	750	0	1,500	0	0	0	0	0	0	
Total Bilateral			0	25,000	0	0	19,500	750	0	750	0	1,500	0	2,500					
Total Field Support			0	0	0	0	0	0	0	0	0	0	0						
TOTAL PROGRAM			0	25,000	0	0	19,500	750	0	750	0	1,500	0	2,500				0	

FY 1999 Request Sector Totals -- DA	
Econ Growth	19,500
[Of which Microenterpris	0
HCD	2,500
PHN	3,000
Environment	0
[Of which Biodiversity]	0
Democracy	2,500
Humanitarian	12,500

FY 1999 Request Sector Totals -- ESF	
Econ Growth	0
[Of which Microenterprise]	0
HCD	0
PHN	0
Environment	0
[Of which Biodiversity]	0
Democracy	0
Humanitarian	0

FY 2001 Target Program Level	0
FY 2002 Target Program Level	0
FY 2003 Target Program Level	0

USAID FY 1998 Budget Request by Program/Country
AZERBAIJAN

10-Nov-98
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Country/Program:
Scenario: Base Level

S.O. # , Title	FY 1998																Future Cost (POST 2000)	Year of Final Oblig.
	Approp. Acct	Bilateral/Field Support	Est. SO Pipeline End of FY 97	Estimated Total	Basic Education	Agric.	Other Growth	Pop	Child Survival	Infectious Diseases	HIV/AIDS	Other Health	Environ	D/G	Est. Expend. FY 98	Est. Total Cost life of SO		
1.1 ; 1.2																		
	Bilateral	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total		0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	0	
1.3																		
	Bilateral	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total		0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	0	
1.4																		
	Bilateral	N/A	770	0	0	770	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total		0	770	0	0	770	0	0	0	0	0	0	0	N/A	N/A	0	
1.5																		
	Bilateral	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total		0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	0	
2.1																		
	Bilateral	N/A	1,635	0	0	0	0	0	0	0	0	0	0	1,635	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total		0	1,635	0	0	0	0	0	0	0	0	0	1,635	N/A	N/A	0	
2.2																		
	Bilateral	N/A	200	0	0	0	0	0	0	0	0	0	0	200	N/A	N/A	N/A	XX
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total		0	200	0	0	0	0	0	0	0	0	0	200	N/A	N/A	0	
3.1																		
	Bilateral	N/A	15,100	0	0	15,100	0	0	0	0	0	0	0	0	N/A	N/A	N/A	
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total		0	15,100	0	0	15,100	0	0	0	0	0	0	0	N/A	N/A	0	
4.1 ; 4.2																		
	Bilateral	N/A	660	0	0	660	0	0	0	0	0	0	0	0	N/A	N/A	N/A	
	Field Spt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total		0	660	0	0	660	0	0	0	0	0	0	0	N/A	N/A	0	
Total Bilateral			0	18,365	0	0	16,530	0	0	0	0	0	0	1,835	0	0	0	
Total Field Support			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL PROGRAM			0	18,365	0	0	16,530	0	0	0	0	0	0	1,835	N/A	N/A	0	

Econ Growth	16,530
[Of which Microenterpris	0
HCD	660
PHN	0
Environment	0
[Of which Biodiversity]	0
Democracy	1,835
Humanitarian	15,100

Econ Growth	0
[Of which Microenterprise]	0
HCD	0
PHN	0
Environment	0
[Of which Biodiversity]	0
Democracy	0
Humanitarian	0

FY 2001 Target Program Level	0
FY 2002 Target Program Level	0
FY 2003 Target Program Level	0

FY 1998 -- FY 2000
COUNTRY RESOURCE REQUEST BY SOs
AZERBAIJAN

Last revision date:
12-May-98

PF#	Proj.#/Comp.	SOs	ACTIVITY	FY 98 Plan 12-May-98	FY 99 Plan	FY 00 Plan	FY 00 Plan (-6%)	FY 00 Plan (-20%)
		1.3	Accelerated development and growth of private enterprises	\$0	\$4,500,000	\$3,500,000	\$3,290,000	\$2,800,000
		1.4	A more competitive and market-responsive private financial sector	\$770,000	\$0	\$0	\$0	\$0
		2.1	Increased, better informed citizens' participation in political and economic decision making	\$1,635,000	\$2,050,000	\$2,150,000	\$2,021,000	\$1,720,000
		2.2	Legal systems that better support democratic process and market reform	\$200,000	\$450,000	\$300,000	\$282,000	\$240,000
		3.1	Human suffering and negative consequences of crises are reduced	\$15,100,000	\$12,500,000	\$13,100,000	\$12,314,000	\$10,480,000
		4.1	Special initiatives	\$0	\$2,500,000	\$2,500,000	\$2,350,000	\$2,000,000
		4.2	Cross-Cutting Programs	\$660,000	\$3,000,000	\$2,950,000	\$2,773,000	\$2,360,000
TOTAL				\$18,365,000	\$25,000,000	\$24,500,000	\$23,030,000	\$19,600,000
STRATEGIC ASSISTANCE AREA 1: A COMPETITIVE MARKET-ORIENTED ECONOMY								
SO 1.3 Accelerated development and growth of private enterprises								
PRT	5.7	1.3	SME Development - TBD	\$0	\$1,000,000	\$1,000,000	\$940,000	\$800,000
???	5.?	1.3	Private Enterprise Assistance	\$0	\$0	\$0	\$0	\$0
???	5.?	1.3	Admin: Tech Support/Field Mgt/PD&S	\$0	\$500,000	\$500,000	\$470,000	\$400,000
PRT	6.6	1.3	Agribusiness Support - VOCA	\$0	\$0	\$0	\$0	\$0
TIE	?.?	1.3	Foundation Endowments	\$0	\$1,000,000	\$0	\$0	\$0
EF	11	1.3	Enterprise Fund	\$0	\$2,000,000	\$2,000,000	\$1,880,000	\$1,600,000
SUBTOTAL FOR SO1.3				\$0	\$4,500,000	\$3,500,000	\$3,290,000	\$2,800,000
TIE	9.2	1.4	Bankers Training	\$750,000	\$0	\$0	\$0	\$0
TIE	9.7	1.4	Admin: Tech Support/Field Management	\$20,000	\$0	\$0	\$0	\$0
SUBTOTAL FOR SO1.4				\$770,000	\$0	\$0	\$0	\$0
STRATEGIC ASSISTANCE AREA 2: EMPOWERMENT OF CITIZENS THROUGH DEMOCRATIC POLITICAL PROCESSES								
SO 2.1 Incr., better inf. citizens' participation in political and econ. decision making								
PRT	7.1	2.1	Political/Civic Orgs -- Political Process (NDI)	\$175,000	\$200,000	\$300,000	\$282,000	\$240,000
PRT	7.1	2.1	Political/Civic Orgs -- IFES	\$350,000	\$400,000	\$0	\$0	\$0
PRT	7.1	2.1	Political/Civic Orgs -- IRI	\$300,000	\$300,000	\$300,000	\$282,000	\$240,000
PRT	7.2	2.1	Independent Media -- INTERNEWS	\$130,000	\$250,000	\$500,000	\$470,000	\$400,000
PRT	7.2	2.1	Print Media -- TBD	\$0	\$0	\$300,000	\$282,000	\$240,000
PRT	7.5	2.1	PVO/NGO Program -- NGO Development (ISAR)	\$350,000	\$600,000	\$500,000	\$470,000	\$400,000
PRT	7.7	2.1	Admin: Tech Support/Field Mgt. PD&S	\$330,000	\$300,000	\$250,000	\$235,000	\$200,000
SUBTOTAL FOR SO2.1				\$1,635,000	\$2,050,000	\$2,150,000	\$2,021,000	\$1,720,000
SO 2.2 Legal systems that better support democratic process and market reform								
PRT	7.4	2.2	Rule of Law - AMEX	\$200,000	\$250,000	\$0	\$0	\$0
PRT	7.4	2.2	Rule of Law - ABA/CEELI	\$0	\$200,000	\$300,000	\$282,000	\$240,000
SUBTOTAL FOR SO2.2				\$200,000	\$450,000	\$300,000	\$282,000	\$240,000
STRATEGIC ASSISTANCE AREA 3: STRENGTHEN THE CAPACITY TO MANAGE THE HUMAN DIMENSION OF THE TRANSITION								
SO 3.1 Human suffering and negative consequences of crises are reduced								
???	1.1	3.1	Vulner Groups Feeding -- Food Assistance (WFP)	\$2,500,000	\$1,500,000	\$1,100,000	\$1,034,000	\$880,000
???	1.2	3.1	PVO Cauc/Compr. Human -- SCF Umbrella CA	\$1,665,887	\$1,500,000	\$1,500,000	\$1,410,000	\$1,200,000
???	1.2	3.1	PVO Cauc/Compr. Human -- AHAP	\$6,770,000	\$6,000,000	\$7,000,000	\$6,580,000	\$5,600,000
???	1.2	3.1	PVO Cauc/Compr. Human -- TBD	\$219,113	\$0	\$0	\$0	\$0
ID/WQ	1.6	3.1	Multilat. Human Assistance	\$3,645,000	\$3,000,000	\$3,000,000	\$2,820,000	\$2,400,000
???	1.9	3.1	Admin: Tech Support/Field Mgt./PD&S	\$300,000	\$500,000	\$500,000	\$470,000	\$400,000
SUBTOTAL FOR SO3.1				\$15,100,000	\$12,500,000	\$13,100,000	\$12,314,000	\$10,480,000
STRATEGIC ASSISTANCE AREA 4: CROSS-CUTTING PROGRAMS AND SPECIAL INITIATIVES								
P 2/	4	4.1	Medical Partnerships	\$0	\$1,500,000	\$1,500,000	\$1,410,000	\$1,200,000
FP	4	4.1	Family Planning (TBD)	\$0	\$500,000	\$500,000	\$470,000	\$400,000
	4	4.1	Admin: Tech Support/Field Management	\$0	\$500,000	\$500,000	\$470,000	\$400,000
							\$0	\$0
	4	4.2	Health Information Systems (Infectious Disease)	\$0	\$500,000	\$500,000	\$470,000	\$400,000
Exch	12	4.2	Buy-in Global Trng. Contract -- Admin. (AED)	\$660,000	\$2,500,000	\$2,450,000	\$2,303,000	\$1,960,000
SUBTOTAL FOR SO4				\$660,000	\$5,500,000	\$5,450,000	\$5,123,000	\$4,360,000
PERFORMANCE FUND & TRANSFERS/ALLOCATIONS								
PF		XXX	Performance Fund	\$0	\$0	\$0	\$0	\$0
P 2/		XXX	Partnership Fund	\$0	\$1,000,000	\$0	\$0	\$0
		XXX	Transfers or Allocations					
T/A			USIA Training and Exchanges - Exchange	\$2,190,000	\$3,750,000	\$3,750,000	\$3,525,000	\$3,000,000
T/A			USIA Training and Exchanges - Partnerships	\$0	\$250,000	\$250,000	\$235,000	\$200,000
T/A		3.1	Humanitarian Transport - S/NIS/C	\$1,600,000	\$1,500,000	\$1,500,000	\$1,410,000	\$1,200,000
T/A			US Treasury	\$95,000	\$0	\$0	\$0	\$0
T/A			Parking Fine Withholding	\$0	\$0	\$0	\$0	\$0
SUBTOTAL FOR PERFORMANCE FUND & TRANSFERS / ALLOCATIONS				\$3,885,000	\$5,500,000	\$5,500,000	\$5,170,000	\$4,400,000
TOTAL (Azerbaijan)				\$22,250,000	\$31,500,000	\$30,000,000	\$28,200,000	\$24,000,000

PFF CODES:

- FP Family Planning
- EUR Eurasia Foundation
- EF Enterprise Fund
- PRT Project Related Training
- FE Foundation Endowments
- ID/WQ Infectious Disease/Water Qual.
- TIE Trade Impediment Elimination
- IFI IFI Loan Support
- Exch Exchanges
- P 2/ Partnerships 2/
- PF Performance Fund
- T/A Transfers Allocations

	PROJECT SUMMARY	FY 98 Plan 12-May-98	FY 99 Plan	FY 00 Plan	FY 00 Plan (-6%)	FY 00 Plan (-20%)	% of proj totals versa country total		
							FY98	FY99	FY00
	110-0001 Special Initiatives	\$15,100,000	\$12,500,000	\$13,100,000	\$12,314,000	\$10,480,000	67.87%	39.68%	43.67%
	110-0004 Health Care	\$0	\$3,000,000	\$3,000,000	\$2,820,000	\$2,400,000	0.00%	9.52%	10.00%
	110-0005 Private Sector	\$0	\$1,500,000	\$1,500,000	\$1,410,000	\$1,200,000	0.00%	4.76%	5.00%
	110-0007 Democratic Reform	\$1,835,000	\$2,500,000	\$2,450,000	\$2,303,000	\$1,960,000	8.25%	7.94%	8.17%
	110-0009 Economic Restructuring	\$770,000	\$0	\$0	\$0	\$0	3.46%	0.00%	0.00%
	110-0011 Enterprise Funds	\$0	\$2,000,000	\$2,000,000	\$1,880,000	\$1,600,000	0.00%	6.35%	6.67%
	110-0012 Exchanges & Training	\$660,000	\$2,500,000	\$2,450,000	\$2,303,000	\$1,960,000	2.97%	7.94%	8.17%
	Transfers	\$3,885,000	\$5,500,000	\$5,500,000	\$5,170,000	\$4,400,000	17.46%	17.46%	18.33%
	Foundation Endowments	\$0	\$1,000,000	\$0	\$0	\$0	0.00%	3.17%	0.00%
	Partnership Fund	\$0	\$1,000,000	\$0	\$0	\$0	0.00%	3.17%	0.00%
	Performance Funds	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
	TOTAL COUNTRY	\$22,250,000	\$31,500,000	\$30,000,000	\$28,200,000	\$24,000,000	100%	100%	100%

TRUST FUNDS & FSN SEPARATION FUND

Orgno: 22114
 Org. Title: USAID/C Azerbaijan

Foreign National Voluntary Separation Account

Action	FY 97			FY 98			FY 99		
	OE	Program	Total	OE	Program	Total	OE	Program	Total
Deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Withdrawals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Unfunded Liability (if any)
 at the end of each FY.

Local Currency Trust Funds - Regular (\$000s)

	FY 97	FY 98	FY 99
Balance Start of Year	0.0	0.0	0.0
Obligations	0.0	0.0	0.0
Deposits	0.0	0.0	0.0
Balance End of Year	0.0	0.0	0.0

Exchange Rate(s) Used

Trust Funds in Dollar Equivalents, not in Local Country Equivalents

Local Currency Trust Funds - Real Property (\$000s)

	FY 97	FY 98	FY 99
Balance Start of Year	0.0	0.0	0.0
Obligations	0.0	0.0	0.0
Deposits	0.0	0.0	0.0
Balance End of Year	0.0	0.0	0.0

Trust Funds in Dollar Equivalents, not in Local Country Equivalents

GLOBAL FIELD SUPPORT									
Objective Name	Field Support: Activity Title & Number	Priority *	Duration	Estimated Funding (\$000)					
				FY 1998		FY 1999		FY 2000	
				Obligated by:		Obligated by:		Obligated by:	
				Operating Unit	Global Bureau	Operating Unit	Global Bureau	Operating Unit	Global Bureau
Reproductive Health	IECA	low	3	\$0	\$0	\$500,000	\$0	\$500,000	\$0
GRAND TOTAL.....				\$0	\$0	\$500,000	\$0	\$500,000	\$0

* For Priorities use high, medium-high, medium, medium-low, low