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April 25, 2003

Mr. John Lord  
Contracting Officer  
USAID/Almaty  
c/o American Embassy  
97A Furmanov Street  
Almaty, Kazakhstan 480091

RE: Contract No. EEU-I-00-99-00015-00, TO No. 811  
UI Project 06901-015, 06901-016, 06901-017, & 06901-018  
Central Asian Republics Local Government Initiative Phase II  
*Quarterly Task Order Progress and Cost Report, January to March 2003*

Dear Mr. Lord:

Please find enclosed *Quarterly Task Order Progress and Cost Report, January to March 2003, Central Asian Republics Local Government Initiative Phase II*. This report is required by Sections F.5 and F.6 of our Local Government Assistance Initiative Indefinite Quantity Contract.

In an effort to minimize cost and maximize efficiency in submitting this deliverable, we are planning to submit the report and the manual in soft copy only. We would be pleased to provide a hard copy of either or both documents, if requested.

Please direct any technical questions to Mr. Ted Hazard, Chief of Party, at +7 (3272) 59-07-28 or e-mail at thazard@ui.kz. Questions of a contractual nature should be addressed to me at (202) 261-5396.

Sincerely,



Maria C. Andrade-Stern

Enclosures

cc: Ivan Apanasevich (CEN, ASIA/ODT)  
Mike Keshishian (USAID/W)  
Charles Undeland (Kyrgyzstan/UI)  
USAID Development Clearinghouse  
IAC Deliverables File (06901-015 to 018)  
IAC Chron File

**QUARTERLY TASK ORDER  
PROGRESS AND  
COST REPORT**

**CENTRAL ASIAN REPUBLICS  
LOCAL GOVERNMENT  
INITIATIVE PHASE II**

**JANUARY TO MARCH 2003**

Prepared for



Central Asian Republics Local Government Initiative Phase II  
United States Agency for International Development  
Contract No EEU-I-00-99-00015-00, Task Order No. 811

Prepared by

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April 2003  
UI Project 06901-015, 06901-016,  
06901-017 & 06901-018

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Cost Report

# QUARTERLY TASK ORDER PROGRESS AND COST REPORT

JANUARY TO MARCH 2003

## CENTRAL ASIAN REPUBLICS LOCAL GOVERNMENT INITIATIVE PHASE II

<b>Contract and Task Order No.:</b>	EEU-I-00-99-00015-00, TO No. 811
<b>Date of Issuance:</b>	September 30, 2002
<b>Amount Obligated Under Task Order:</b>	\$4,771,832
<b>Total Potential Task Order Amount:</b>	\$7,810,872
<b>Dollars Expended To-date:</b>	\$1,303,373
<b>Key Personnel:</b>	Ted Hazard, Chief of Party +7 (3272) 59-07-28 THazard@ui.kz  Charlie Undeland, Deputy Chief of Party CUndeland@ui.kg

### Task Order Description

The project seeks to promote constituencies for decentralization, develop responsive relationships between local government and communities, and strengthen local governments' capacity to meet the community needs by providing integral service in the four Central Asian Republics. More specifically, the project will primarily focus on condominium promotion in Uzbekistan. In Tajikistan, the program will provide local government training supported by small-scale technical assistance. In Kyrgyzstan, the project will promote public participation techniques, support policy dialogue at the national level, and support housing reform by working with condominium associations. In Kazakhstan, LGI-Phase II will develop constituencies for decentralization and foster positive public-private partnerships at the local level.

### I. HIGHLIGHTS

- UI provides analysis on decentralization policy papers to partners in Kazakhstan
- Kyrgyz Local Finance and Economic Basis Law approved by Ministry of Finance and submitted to Parliament
- Hiring of local staff in all country offices mostly completed
- UI makes presentation on inter-governmental relationships to Kazakhstan's Parliament



- UI and Association of Villages draft recommendations on functional assignments at conference in Kyrgyzstan
- Progress on identifying legislative changes to improve environment for housing associations in Uzbekistan
- Cooperation among donors, including UI/USAID, to support decentralization policy efforts in Tajikistan
- UI holds Decentralization Workshop for senior officials in Tajikistan
- Signing of MOUs with Tashkent, Andijan Mayors and State Communal Services Agency
- Public Hearing on Administrative Fines in Kazakhstan utilizes UI training
- Seminar for 18 mayors and water company chiefs on property and oversight issues for municipal water companies in Kyrgyzstan

## II. PROGRESS OF MAJOR ACTIVITIES

### REGIONAL ACTIVITIES & DELIVERABLES

All expatriate staff resident in Central Asia have relocated full time to the region. The Kazakhstan and Tajikistan country teams moved into new offices. UI country offices and the home office continued to exchange information on local government legislation, coordinating service improvement action plans, and glossaries of local government and finance terms.

UI Bishkek provided comparative data for the local government assessment in Tajikistan and has worked with UI Dushanbe on planning for a decentralization seminar in March in Dushanbe. UI Bishkek and UI Tashkent exchanged information and comments regarding legal issues facing housing associations in their respective countries.

UI drew on its experience working on decentralization issues in the ENI region and especially Kyrgyzstan to deliver a seminar on March 26 on basic decentralization concepts for a Presidential working group charged with drafting a new local government law in Tajikistan. UI described its work in Kyrgyzstan to articulate decentralization issues in post-Soviet (and Russian-language) parlance on government. UI further outlined its approach in Kyrgyzstan to functional assignments; this approach focuses on the development of positions that are both detailed and inclusive of the views of local governments. The Tajik officials welcomed the material and cited continuing desire for comparative materials on how local government operates. UI also provided a reference book of other local government legislation from ENI countries (Poland, Albania, Russia, Kyrgyzstan, and Armenia).

UI continued to share information among country projects on approaches to strategic planning and a participatory approach to developing service improvement plans for basic services. Kazakhstani and Kyrgyz counterparts will be holding a joint training session in early April on strategic planning. UI has planned for its next regional meeting of country teams for April 15-16; themes for the session will be housing association development and decentralization policy.

### KAZAKHSTAN ACTIVITIES & DELIVERABLES

### **Promoting Relationships Between NGOs and Local Govts., CBEDCs (Tasks 1a-c, Task 2)**

In Taldykorgan, UI and USAID representatives discussed potential collaboration with a coalition of five NGOs, Oblast Akimat, Oblast Maslikhat, City Akim, and City Maslikhat. Specific ideas discussed included:

- Introduction of a CBEDC for Taldykorgan, which has an active and organized NGO community, a growing business sector, and receptive local government institutions.
- Providing materials and training for democratic governance of KSK and support to the KSK association in Taldykorgan.
- Providing assistance in strategic planning for small cities in the Almaty Oblast, especially Tekeli, a mining town in need of economic diversification.

UI solicited NGO participation from Almaty and Kostanai Oblasts in Eurasia Foundation-funded seminar on budgeting. At their request, UI also provided Almaty Oblast a copy of Pavlodar Oblast's program budget.

UI co-sponsored and took an active part in the conference about presentation of the Center for Assisting the Development of Small and Medium-Sized Cities (in Lisakovsk, Kostanai Oblast). The conference summarized the previous year's activities and discussed plans for the oncoming year.

A meeting with Volunteer Service Overseas (VSO) discussed UI's programmatic ideas for Kostanai Oblast and BDFK's (Business Development Foundation Kostanai) role in it. UI intends to sign an agreement with BDFK to have it serve as UI's representative in Kostanai Oblast. UI also communicated with USAID with ideas for the International Visitors Program concerning Association Building and Citizen Participation.

Almaty and Kostanai RTCs were informed about workshop requirements and proper forms to be filled out. Concrete dates of workshops for the entire year have been determined for Almaty and Kostanai RTCs. A detailed Training Calendar for Year 1 has been developed, with budget calculations, for two pilot regions. Amendments to the Working Plan are going to be made, to make it more specific.

Two workshops on *How to Conduct Public Hearings* were held in Almaty Oblast: in Kapshagai and in Talgar. Two more workshops on public hearings are scheduled for February in Kostanai.

In Kostanai, UI and CBEDC representatives identified youth policy as a project area for partnership. The reorganized Kostanai CBEDC has a new chairperson and 13 members. Additional projects were discussed with partners in Kostanai Oblast. Further, Lisakovsk and Rudniy expressed interest in receiving training on Program Budgeting, for which UI will contact the Fiscal Reform Project. Finally, UI discussed holding public hearings with the governments of Rudniy, Lisakovsk and Kostanai; the hearing in Lisakovsk would likely be on the environmental impact of a chemical plant to be opened in the city.

Memorandums of Understanding with the Kostanai Oblast akimat and CBEDC were prepared (to be signed in March). Also, a MOU with VSO was drafted about cooperation in both pilot oblasts (to be signed in early March).

A meeting was held with Arizona-Kazakhstan Partnership Foundation about co-financing a one-week seminar on *Approaches to Small Cities Development* for representatives from the oblast and small cities' governments, and related NGOs.



Citizen Participation and How to Conduct Public Hearings workshops were held in Kostanai.

UI signed partnership agreements with the following organizations:

- \*Soros Foundation Kazakhstan
- \*Small Cities Development Center, Kostanai
- \*KSK Molodezhnaya, Kostanai
- \*Kostanai City Administration (both Akimat and Maslikhat)
- \*Community Based Economic Development Center (CBEDC), Kostanai

The Small Cities Development Center voted to change the charter of the Center to allow for stronger management, as recommended by UI. Members of the Center were invited to participate as observers in the Almaty Oblast Strategic Planning Seminar in April. There was extensive media coverage of the agreements, providing good publicity for USAID and LGI-II.

During meetings with the reorganized Kostanai CBEDC, a new youth policy project to be supported by UI was outlined (PROFI Professional Mastership Festival), as an example of a public-private partnership.

UI finished negotiations and signed a sub-contract with the Business Development Foundation of Kostanai Region (BDFK), a local NGO which will act as UI's representative in Kostanai Oblast.

A meeting with VSO was held to discuss potentials for further cooperation and utilizing their volunteers in the technical assistance process.

Two training workshops were held in Almaty and Almaty Oblast: one on *Citizen Participation*, the other on *How to Conduct Public Hearings*. Partnership Agreements with the Almaty and Kostanai RTCs were drafted (to be signed in early April).

Talks with the Soros Foundation were held about gathering RTC directors to work out a module for civil servants. A joint conference on municipal servants is scheduled for April 28-30 in Almaty.

### **Building Local Capacity for Decentralization (Task 3)**

A meeting with KPMG Barents was held to discuss cooperation on budgeting issues in pilot regions. KPMG agreed they would conduct trainings and assist (through RTCs) even if the two projects' pilot regions do not coincide.

UI is exploring signing an MOU with the Soros Foundation Kazakhstan about jointly sponsored programs (RTC development, maslikhat development, citizen participation) to pool efforts.

Urban Institute staff attending a conference of the Association of Small Cities on January 31 and meet with the Association concerning collaborative work between the Association and LGI-II including workplans, expansion, and funding.

UI provided technical assistance to the Public Policy Research Center (PPRC) as part of the latter's efforts for a Parliamentary hearing on inter-governmental finance and functional assignments, as well as the



PPRC's decentralization concept. UI made a presentation on inter-governmental relations in the US at this hearing.

A Memorandum of Understanding with the Small Cities Center in Kostanai was prepared for signing in mid-March). UI will work with the Center on strategic planning activities. UI also contracted with the Kostanai Civil Society Support Center to provide training on organizational development and association building over the next three months. UI also plans to involve ICNL about providing legal advice for the Center after it has been registered.

Assistance is being provided via a sub-contract with the Small Cities Center in Kostanai Oblast. A scope of work was designed for two local experts on strategic planning to write strategic planning guidelines for Kazakhstan's small cities.

#### **Strengthening Local Councils (Task 4)**

UI completed receiving and analyzing the needs assessment questionnaire responses from 30 city and oblast maslikhat secretaries who had participated in the May 2002 study tour to Poland, where they put their ideas about how effective ICMA trainings were.

During a meeting at the Taldykorgan City Maslikhat, the deputies showed interest to cooperate with UI, particularly on trainings and working with electorate.

Maslikhat deputies' needs were assessed in Almaty Oblast. As a result, training on public hearings for maslikhat deputies will be held in Taldykorgan.

Successful Soros Foundation-sponsored public hearings were held in Talgar on administrative regulations worked out by maslikhats. The hearings demonstrated people's preparedness, and several constructive suggestions were made. The hearings are a direct result of the UI's December training on *How to Conduct Public Hearings*. The methodology used at the public hearings was designed by LGI-I.

The Agency for Civil Service asked UI to nominate a representative to their Coordinating Committee on RTCs.

#### **Housing Reform (Task 5)**

An Action Plan for housing has been elaborated, which schedules trainings on the existing modules in Almaty and Kostanai oblasts.

Petropavlovsk Association of KSK was contacted to research the elaboration of a new training module (on interaction between local government bodies and KSK) and possible contacting of the Association in test workshops on this new module.

A Memorandum of Understanding with the KSK "Molodezhnaya" in Kostanai was prepared for signing in March. An action plan on housing issues was prepared for both pilot oblasts, and a housing grant program description was made for small grants in Almaty Oblast.



A report by ABB-Index on the housing situation in Kazakhstan and manuals on housing trainings were disseminated in Taldykorgan and to the Almaty Oblast Maslikhat

### **Information Dissemination (Task 6)**

A research of international examples of fiscal decentralization and inter-budgetary relations was made and put on a CD-ROM, which is being disseminated on to respective partners (PPRC, Kostanai Oblast, etc.)

An action plan for the media unit was prepared. Press releases were made about signing MoU's with the Small Cities Center and Kostanai Oblast government. The Open Media Competition guidelines and an application form were designed; the competition will be announced in March.

During a meeting with the TV Debate Center, an agreement was reached about holding debates on oncoming maslikhat elections to be broadcast on Khabar. During a meeting with the Taraz RTC Director, UI agreed to send the new training handouts and manuals to them (upon completion) and information about grants.

A meeting with Internews was held to discuss cooperation opportunities; Internews agreed to provide their equipment for journalists' trainings and other possible events.

Information on Transparent Budget Competition prepared and sent out to LCDF, PPRC and Taldykorgan. Also, information on public-private partnership was received from Stara Zagora, Bulgaria to explore opportunities of possible use of some examples in Kazakhstan.

Partnership Agreement signing ceremonies received a wide coverage in the press. UI gave interviews to national news agencies (Khabar, Interfax). During the trip to Kostanai, talks were held with the Kostanai Oblast TV and the Kostanai Oblast Press Club, who agreed to free dissemination of information provided by UI. Contacts were established with local journalists, and UI Info Sheet and press releases were disseminated in Kostanai Oblast.

UI Grant advertisement and guidelines placed in three national newspapers.

### **Study Tours (Task 7)**

AED's Training Activity Request Form (TARF) for Kazakhstan was sent to USAID.

The US Embassy's Public Affairs Section gave preliminary approval to candidates proposed by UI to participate in an International Visitors Program to expose participants to approaches how to successfully build and manage an association. The candidates are from the Kazakhstan Center for Economic Development of Small and Medium Cities. A joint project with OSI was outlined about a study tour to Russia for Almaty Oblasts' akims of small cities (scheduled for late March).

Training Activity Request Form (TARF) with additional information was submitted to AED for their further processing.

A weeklong study tour for Almaty Oblasts' akims of small cities took place (a joint project with the Soros Foundation) to Russia. They will study best practices in small cities development.

### **Central Government Support (Task 8)**

UI analyzed and submitted commentary on the three documents:

- Concept of delineation of authorities between government levels (Government's draft);
- Concept of local self-government (PPRC's draft); and
- Concept of local self-government (Kostanai Oblast Akim's draft).

Two concepts were designed and sent to the Ministry of Economy and Budget Planning:

- On small cities strategic planning (based on negotiations and subsequent conversations with Lisakovsk, UI/Bishkek and UI/Moldova); and
- On the Revolving Fund for KSK water meter project (in collaboration with BDFK and UI/Bishkek).

A meeting in Astana was held with the Ministry of Economy and Budget Planning to discuss collaboration in working out strategic plans for small cities. The Ministry agreed to co-sponsor and take part in the process, which starts in early April.

A meeting was held with representatives of the Institute of Economic Research (Ministry of Economy and Budget Planning), who agreed to participate in working out guidelines on strategic planning for further use by small cities. The Ministry also agreed to participate in providing technical assistance to five small cities in Almaty Oblast.

### **KYRGYZSTAN ACTIVITIES/DELIVERABLES**

#### **Supporting Policy Change at the National Level (Task 1)**

The draft Law on Financial and Economic Basis of Local Self Governments was approved by the Government of the Krygyz Republic on January 15th and forwarded to the Parliament for discussion. The draft remains basically unchanged from the version prepared largely by UI and continues to contain the most important reforms needed to support decentralization and real financial independence of local self-governments. There were some small provisions concerning off-budget funds that UI did not support, but were included at the urging of the Ministry

Comments were prepared at the request of the Ministry of Local Self Government on the agreement on technical maintenance and repair of common property of multi-unit buildings. Implementation of some of the provisions in the agreement will be hindered because of legal and practical problems. UI also worked with the Ministry on preparation of a national seminar on 3 major issues hindering condominium development for mid-February.

The Association of Villages has renewed efforts to clearly delineate village level functional assignments. They are now surveying numerous villages in preparation for a round table meeting in mid-February to finalize the village policy recommendations on functional assignments. UI will provide support for this round table meeting.

A round table meeting on housing issues was jointly held with the Ministry of Local Self-Government. 40 persons attended, including MPs, the Deputy Minister, heads of major utilities, consumer rights groups, and regional condominium association heads. The meeting focused on issues hindering the development of

housing associations: establishing a standard point of delineation of responsibilities between service providers and consumers for network maintenance, discontinuation of keeping multi-unit buildings on city balance sheets, and transfer of technical documentation to homeowners of units in multi-unit buildings. While some consensus was built among policy stakeholders, there remain sharp differences between consumer rights groups and MP Pronenko and the positions of utilities, the Ministry, and UI's recommendations. Follow-up meetings are scheduled in March.

UI and the Association of Villages conducted a seminar followed by a discussion on functional assignments for villages for the heads of 27 ayil okmotus. Based on discussions, an ayil okmotu matrix on delineation of functions was developed to complement the already developed city matrix. This matrix will be forwarded to the Association's board for approval and then sent to the Local Government Ministry, Presidential Administration, and Prime Minister's Office.

At the request of the coordinator in the Local Government Ministry, comments and recommendations were prepared on the implementation matrix for the National Strategy for Decentralization.

UI met with MP Japarov of the Tax Committee of the Legislative Assembly and Barents Group. In principle, it was agreed that the law On Financial and Economic Basis of Local Self-Governments should be pushed through parliament without waiting for a new Budget Code, which will likely be delayed due to constitutional reform, to be passed.

Together with the Ministry of Local Self Government, a round table discussion was held on defining land plots around multi-unit buildings, the most commonly cited problem faced by housing associations in Kyrgyzstan. Participants included representatives from the State Architecture Committee, Gosregister, and housing associations. Several recommendations were developed which should be incorporated into a Regulation On Defining Borders of Land Around Multi-Unit Buildings that is being prepared by the State Architecture Committee. The meeting offered an opportunity for housing associations and their regional associations to have input into the drafting of legislation.

The Association of Villages finalized its functional assignments matrix for presentation to its Board and submission to the government.

At the request of Parliamentary Budget Committee Chairman Sultanov, UI, together with the Ministry of Local Self Government, is in the process of developing an analysis of the key policy variances between the draft law On Financial and Economic basis of Local Self Governments and the Basic Principles of Budget Law and other financial legislation.

### **Asset Management (Task 2A)**

UI is assisting Bishkek Communal Property Department, KUMI, in the implementation of the Lease Regulation on Communal Property. As part of the implementation process, UI conducted a presentation of the Lease Regulation on January 14 for KUMI officials. About 20 people participated in the discussion of the new rules.

At the request of KUMI, UI drafted 6 model Use\Lease Agreements on Communal Property that will be used in Bishkek and Osh. These six agreements are: 1) agreement on economic management; 2)

agreement on operative management; 3) agreement on temporary use; 4) lease agreement; 5) lease agreement on preferential terms; and 6) agreement on investment lease.

UI developed a set of recommendations on how to deal with specific communal property problems to address issues raised by city governments during the presentation of the Asset Management Toolkit in summer 2002. The recommendations were distributed to cities.

Model ordinances (service agreement and charter) and supporting policies and procedures regulating the relationship between city governments, municipal enterprises, and consumers have been discussed with Kyrgyzjilkommunsouz and the Association of Cities. These two organizations are in the process of reviewing the drafts and will provide comments in early February.

TDY Kaganova was in Kyrgyzstan from Feb. 4-18. UI continued to assist Bishkek's Communal Property Department (KUMI) in implementing the lease regulation. UI specialists gave recommendations on improving Bishkek's sub-leasing policy with the aim of increasing KUMI's income from sub-letting. In addition, UI continued to advise on the methodology for establishing the starting lease price for competition and improving Bishkek's management of municipal property. Similar work was conducted in Osh, whose Communal Property Department is at the same stage as KUMI in implementing the lease regulation. The City of Tokmok requested UI's assistance in developing and implementing a lease regulation. This document was completed and approved by city kenesh.

UIB met with the Ministry of Justice (MoJ) to discuss the viability of registering a municipal enterprise as a new legal entity rather than just transforming it from a state enterprise into a municipal enterprise. The MoJ confirmed that based on existing legislation this was a feasible option. However, they also noted that the issue was complicated by the fact of outstanding accounts receivable and payable (outstanding debt owed both to and by the enterprise).

UI's recommended model ordinances and internal procedures regulating the relationship between city governments, municipal enterprises, and consumers were finalized. Comments provided by the Association of Cities and KyrgyzzhilKommunsoyuz (Communal Services Union) were incorporated into the final documents that are ready for presentation at four seminars that will be held in late March.

UI developed model agreements on Municipal Property Under Economic Management and Municipal Property Under Operative Management, the primary vehicles under Kyrgyz law in which many utilities and public institutions such as schools and clinics utilize municipal property. These agreements were disseminated these to Bishkek, Osh and Tokmok. They are complimentary to the model charter and model service agreements already developed by UI and will be used in cases where a Charter already exists (and language in the existing charter does not adequately protect the city's municipal property interests) or is unnecessary (as in the case of schools who are using municipal property under the right of operative management).

At the request of the Osh Municipal Property Department (MPD), UI modified the existing Lease Regulation; it will be submitted to the Osh city kenesh for approval. Tokmok city kenesh has approved the Lease Regulation, and the Tokmok MPD is starting to implement it.



UI provided information to the Land Reform Project regarding municipal employees to attend the latter's two workshops on "Municipal Property Appraisal" on March 26-27, 2003.

The first of four seminars on Establishment, Oversight and Operation of Water and Sewage Municipal Enterprises was held on March 31 for mayors from all 22 cities and the heads of Municipal Property Departments from northern cities. The focus of the seminar was the importance and need to secure municipal assets and to provide for proper city oversight through model charter and service agreements recommended by UI.

At the World Bank's invitation, UI will be participating in a series of videoconferences on municipal water issues for Kyrgyz and Kazakh officials. These conferences will also cover issues of strategic planning.

#### **Association Capacity Building (Task 2B)**

UI signed a subcontract with the Association of Cities on further institutional development for the next 10 months. The Association will focus on strengthening the capacity of the Southern Information Center, which will also serve as a regional office for UI.

The Association of Cities held a Board meeting at which the structure of the Board and Executive Directorate for the next year and the agenda of the upcoming April 1 General Assembly were discussed.

As part of its agreement with UI, ACKR conducted a survey among city governments to identify priority directions to constitute a legislative agenda for the Association's advocacy activities. Results of the survey are going to be discussed at the General Assembly. In addition, ACKR published a monthly brochure on legal information about pending and existing normative acts relevant to city management.

#### **City Strategy and Action Plan (Task 2C)**

A kuraltai was held in Naryn to adopt the draft City Strategy and Action Plan (CSAP). Based on the comments made at the Kuraltai and suggestions subsequently submitted, the draft is being revised and will be proposed to the Kenesh for formal adoption at the end of February.

UI worked with the City of Kyzyl-Kia to prepare a first draft of the city profile. This draft will be presented to the Steering Committee on February 14.

UI signed a three-month subcontract with the Association of Villages to develop a common position on functional assignments to village governments. The formulation of this position should help prompt national authorities to engage in meaningful decentralization of functions to local governments. The Association of Cities completed its regional training sessions for NGOs in conjunction with the Coalition of NGOs.

Kyzyl-Kia's city profile was finalized. In preparation for developing the city strategy, an introductory meeting on the process was conducted for all stakeholders' including NGOs, budget institutions, municipal enterprises, and businesses. The following day UI conducted a 2-day intensive strategic planning session for the steering committee in Osh.

As a first step towards preparing a comprehensive city strategy, Tokmok prepared a preliminary draft of the city profile.

At the request of the Prime Minister's office, UIB made a presentation on the strategic planning process for 8 southern villages who are working with the PM's office to develop a city plan, albeit on a much smaller scale. The national government continues to advocate a top-down, non-interactive approach, which focuses on producing a wishlist of infrastructure investments.

The first and second drafts of the Tokmok city profile were prepared as a basis for formulation of the strategy. In preparation for developing a city strategy, an introductory meeting was conducted for all stakeholders' including NGOs, budget institutions, municipal enterprises, and businesses and a 2-day strategic planning session was conducted for the steering committee. Following these activities, a first draft of the Tokmok city strategy was prepared. Because Tokmok city administration is relocating to another office, meetings with stakeholders are postponed to the second week of April.

Naryn's City Strategy and Inventory of Prioritized Investments was formally adopted by the City Kenesh. Kyzyl-Kia prepared a first draft of the Inventory of Prioritized Investments and completed the 3<sup>rd</sup> draft of City Strategy and Action Plan.

UI met with the Association of Cities, the Eurasia Foundation and the Institute of Municipal Research and Technologies on the possibility funding and cooperation on development of city strategies for the remaining cities in Kyrgyzstan. UI hopes to develop a cadre of local consultants who can facilitate development of strategic plans with help from the Eurasia Foundation.

#### **Increased Transparency and Citizen Participation (Task 2D)**

An outline was developed jointly by UI and Initiative, its NGO subcontractor, for advanced NGO training in advance of budget hearings

Experts from the Association of Cities, in cooperation with the Coalition of NGOs, conducted 1-day training on LGS issues for NGO representatives from Osh, Jalal-Abad and Batken oblasts.

A preliminary draft of the Advanced Budget Training for NGOs has been developed in advance of the spring budget season. Already, UIB has received requests from cities asking for assistance in holding their public budget hearing.

Because of the large number of anticipated public budget hearings (PBHs) this spring and the extended and more comprehensive NGO budget training, UI has decided to increase a number of trainers to deliver the NGO Budget training module. A TOT program for advanced NGO budget training was developed and conducted for new trainers in the northern part of the country who will train citizens and NGOs in cities and pilot villages prior to the PBHs. A similar training will be held in the South in early April.

#### **FIS Upgrade and Dissemination (Task 2E & 2F)**

After conducting an audit of the existing sub-national budget reporting process, UI has developed a set of seven standard reports to replace the overlapping and micromanaging system of numerous existing reports. In early February, UI will discuss the proposed standard reports with the Ministry of Finance. Discussions with the Ministry of Finance will also highlight the need to cancel other redundant reporting requirements by a new resolution of the Ministry of Finance.

UI visited Osh, Djalal-Abad, Kok-Jangak, Mailuu-Suu, Batken, and Uzgen to discuss current impediments for effective utilization of the FIS, and to hear the suggestions from the Financial Departments on what kind of improvements could be made to make their work with the FIS more efficient.

UI met with the Ministry of Finance (MoF) to discuss UIB's proposed set of standardized reports that were developed after studying current practices in fiscal reporting. UI's recommendation is to reduce the number of reports among sub-national levels of government from the current 36 types to 7 standard forms. The MoF has agreed to the streamlining in principle and is currently reviewing the report templates. It anticipates issuing a new instruction introducing these standardized reports and cancelling (and prohibiting) other redundant reporting requirements.

UI is finalizing the budget database for all cities. Completion of the database has been delayed in order to include data on execution of 2002 budget and approved plan for 2003. Cities only passed their budgets at the end of February (and some still have not passed their budgets) due to the fact that the republican budget was passed very late and the control figures were disseminated only after the start of the new budget year.

UI and the Ministry of Finance agreed to the final version of the nine new standard reporting forms for the sub-national levels. The Ministry of Finance is preparing instructions on how to use the new forms and an order which will cancel other redundant reporting requirements.

UI has collected data on execution of the 2002 budget and approved plan for 2003 from all cities. The budget data for all 22 cities from 2001 to 2003 is now being analyzed. A report will be disseminated among cities, the Jogorku Kenesh, the Ministry of Local Self Government, the Ministry of Finance and other interested organizations that are engaged in policy making in the area of local self-government and inter-governmental finance.

### **Property Tax (Task 2G)**

UI provided information on local government capacity and operating procedures to the BearingPoint team working on draft legislation that would implement a property tax. Apparently due to pressure from the IMF, the GoK has accelerated plans to introduce this tax, though much scepticism remains in parliament and the government about how the tax may be introduced. There are ongoing concerns about the validity of data available to make tax assessments on property. Thus far, no legislation has been finalized.

### **Public-Private Partnerships (Task 2H)**

A draft survey has been completed for consumers of local government services. The survey is the first step in the Service Improvement Action Plan to assess how citizens feel about the services, which services are most important to them, and their willingness to participate in improvement programs.

UI agreed with the Mayor of Tokmok City to pilot the Service Improvement Action Plan (SIAP) program in Tokmok. Together, UIB and Tokmok City Administration decided to focus on water at the outset. This priority was identified based on utility hearings last summer, and follow-up hearings that were held in January.



As the first step in implementing a Service Improvement Action Plan (SIAP), a working group was formed composed of the deputy head of city administration for housing and utility issues, and representatives from the water company, an NGO, a condominium, and a TOC (Territorial Community Council). UI made a presentation to this working group about the SIAP, the necessary steps for implementation, and the proposed schedule. The working group reviewed and made minor modifications to the draft survey to be conducted to solicit consumers' opinion on quality of service. The survey results will be used as the basis for developing an action plan.

A request for bids to conduct the survey was publicized on Tokmok radio and the local Tokmok newspaper "RIO" and distributed to several prominent survey companies in Bishkek. Four bids were received, two from Bishkek and two from Tokmok. Selection will be made in early March.

The NGO Tokmok Center for Cooperation (TCC) won the tender to conduct the survey of 500 consumers on their satisfaction with water supply services in Tokmok. Initially, five pilot surveys were conducted by TCC and subsequent modifications to the survey made.

### **Support to Think Tanks, Research Organizations, and NGOs (Task 2)**

UI is continuing to provide informational support to the Coalition of NGOs regarding the substance of local government issues through the Association of Cities. Experts from the Association conducted 1-day training on LGS issues for NGO representatives from Osh, Jalal-Abad and Batken oblasts.

UI is continuing to provide informational support to the Coalition of NGOs regarding the substance of local government issues through the Association of Cities. Experts from the Association conducted 1-day training on LGS issues for NGO representatives from Naryn, Chui, Talas, and Issyk-Kul oblasts. It has also agreed in principle to work with the NGO Initiative on the next round of budget hearing training for NGOs.

A special TOT program on advanced NGO budget training was developed and conducted for new trainers in the North. The trainers are from three different NGOs located in both Karakol and Bishkek.

### **Institutionalizing Training (Task 3)**

Academy of Management and its Institute for State and Municipal Service in cooperation with Hans Zeidel Foundation (Germany) is starting a special masters program designed exclusively for local government officials of city and village levels. UI participated in the curriculum development, selection of candidates for the program; and will provide training materials for delivery.

UI is in preliminary negotiations with the Academy of Management on conducting seminars for local self-government kenesh deputies on their roles. It is envisaged that 4 or 5 seminars will be held, with deputies from more than one city, in April.

UI continues to provide training materials on local self-government to students in the Institute for State and Municipal Service's program for local government officials.

**Housing Association Development (Task 4)**

Regional housing associations in Bishkek, Jalal-Abad, and Osh continued to provide advocacy and membership services to TSJs. They provided legal, operational, accounting, and grant program consultations to their membership.

Jalal-Abad regional association conducted a roundtable with representatives of local government to discuss problems of TSJs, including the transfer of documents for buildings and attached land parcels. Participants agreed that in February the Ministry of Local Self Government will conduct a working meeting for authorities to discuss these issues.

Bishkek and Jalal-Abad regional associations developed case studies on TSJ success stories on TSJ management. One of the studies in Jalal-Abad focused on an individual heating system for a TSJ (1 building). This is a priority for Jalal-Abad due to significant deterioration of the old central and regional heating systems. Jalal-Abad Association ensured dissemination of the case among TSJs and planned to provide the information to the city government and heating companies to promote further development of individual heating systems.

UI/B staff visited a number of TSJs registered by the privately owned successor to the Bishkek City ZhEK in order to better understand the methods employed for registration. Residents and leaders of the visited TSJs confirmed that their partnerships were formed according to law and in a democratic manner. This fact encouraged UI to cooperate with this Association to provide support to their TSJ promotion and registration efforts.

Three new TSJs (comprising 260 units) were registered in Bishkek and 1 TSJ (comprising 118 units) was registered in Kara-Balta by Nash Dom. Nash Dom continues TSJ promotion efforts through meetings with residents and leaders of block committees.

The three regional associations continued to provide legal, operational, accounting, and grant program consultations to their membership. In addition, Nash Dom was actively involved in governmental discussions regarding development of TSJs with an emphasis on transferring technical documentation on buildings to owners and defining the point of delineation of responsibilities. A new issue of the joint housing newsletter was issued and distributed among regional associations, TSJs, all Civil Society Support Centers, and city governments. Nash Dom and Osh-Konush regional associations conducted briefings for mass media to disseminate information about their activities and to advertise themselves as a part of their strategies for self-sustainability.

Representatives of UI offices from Tashkent and Tbilisi visited UI Bishkek, Nash Dom and several Bishkek and Tokmok condominiums to learn about Kyrgyz experience in condominium development.

4 new housing associations (comprised of 7 buildings and 341 units) were registered in Bishkek by Nash Dom. 1 new housing associations (comprised of 1 building and 10 units) was registered in Jalal-Abad by the regional association.

Nash Dom conducted a General meeting to report and evaluate the executives' performance. All the participants accepted the report and highly evaluated the executives' performances. Based on requests

from housing associations, Nash Dom met with the Committees on Tax and Consumers' Rights Protection in the Jogorku Kenesh to discuss the issue of social fund payments.

The Jalal-Abad regional condo association conducted a roundtable to discuss the issue of delineation of responsibilities for network maintenance. Participants included utility heads, the Mayor, the head of the Jalal-Abad Oblast Committee on Housing Issues, and leaders of 9 condominiums.

UI met with the head of the Municipal Property Department, heads of housing maintenance companies and leaders of 3 housing associations in Kyzyl-Kia, Batken Oblast. There are 6 housing associations registered comprising 7 buildings (there are a total of 112 multi-unit buildings in Kyzyl-Kia). City representatives explained the difficulties they are facing with the registration process; and expressed the will for further development of housing associations.

### **Community Grants (Task 5)**

Information on the fourth round of community infrastructure grants was distributed through a multitude of ways to ensure participation from all stakeholders in identifying and prioritizing the projects. The grant program was announced on December 26 and January 9 in the national newspaper "Slovo Kyrgyzstana." In addition, information, including the guidelines and application form, was distributed to all Civil Society Support Centers, international organizations, and contractors. Finally, presentation of the guidelines and copies of the documents on the grant program were given to all city representatives at Project Development and Management Training.

UI conducted, in conjunction with Baktybek Sabirov a freelance trainer from Counterpart Consortium, the second two 2-day training session on project management. The training, aimed at improving the skills of local governments in project identification and implementation, was conducted for northern cities in Bishkek on January 16-17. Participants included representatives from city kenesh and city administration.

Applications were received leading up to the March 1<sup>st</sup> deadline for submissions for the 4<sup>th</sup> Round Community Grants Program. A total of 28 proposals from 18 cities were received. UI has hired two local engineers to conduct a technical evaluation of the proposed grant projects.

On February 12, UI and Eurasia Foundation sponsored a wrap-up conference on the Computer Grant Program. Participants included representatives from the 7 cities that received a computer equipment grant from Eurasia, including Balykchy, Cholpon-Ata, Isfana, Kok-Jangak, Kara-Balta, Karakol, and Kara-Kul. The purpose of the conference was to share experience and lessons learned among these cities on use of the the FIS and the AM Database developed by UI.

A UI Regional Coordination Meeting on Grant Management was held on February 6-7 in Bishkek. UIB presented its community infrastructure grant program including the evolution of the program, the grant agreement procedures and structure, financial and programmatic reporting, grant monitoring and cost control procedures and procurement training.

UI's Community Grants Board (consisting of representatives from UI Bishkek, Association of Cities of the Kyrgyz Republic, Eurasia Foundation, Soros Fund, UNDP LIFE/GEF Program, and Counterpart Consortium) met on March 31 to select the winning proposals in the 4<sup>th</sup> round of the Community



Infrastructure Grants Program. The Board considered 28 grant applications submitted by 17 cities. In total, seven grants were given provisional approval totaling almost 1.7 million som (38,600 USD). The winning cities were Kara-Suu, Kyzyl-Kia, Naryn, Shopokov, Balykchi, and Cholpon-Ata.

The projects primarily focus on repairing water supply and sewage systems, street lighting rehabilitation, construction of roof in schools and repairing of kindergartens, construction of public toilets, construction of a heating plant for school, manufacturing of trash containers, rehabilitation of irrigation system.

UI also was invited and is participating on the Board selecting projects for the World Bank's competition for innovative projects in Kyrgyzstan.

## **TAJIKISTAN ACTIVITIES/DELIVERABLES**

### **Training for Local Governments (Task 1)**

UI discussed at length with the Mayor of Kurgan-Tube training activities for his city. Based on the discussion, the primary focus will be on solid waste management, including full cost identification, fee setting, management TA and training for collection and landfill management. The second area of focus will be to feed the cost and fee related data into the budget process with the finance department. Integration of IT training was also discussed and agreed upon.

Follow on meetings with the Mayor of Kurgan Tube filled in the details of the work and scheduling with the City. Because the level of computer knowledge and skills are so low, it was agreed that training on computers –with emphasis on what they can and cannot do, spreadsheets and word processing. These are the two skills that will be utilized in the cost and fees workshops that are to follow in May/June.

Discussions with the Mayor of Kulyob resulted in agreement on the areas of work and scheduling. Ways to improve our ability to communicate with the city were discussed as well. Phone connections between Dushanbe and Kulyob are tenuous at best.

Fidikor of Counterpart in Kurgan-Tube was identified as a potential training provider for computer skills and social partnerships within the context of the specific service delivery issues to be addressed in that pilot city. Discussions were held about the terms of this training provision and will be finalized in April. A training specialist was hired and will begin work full time in April.

### **Technical Assistance to Local Governments (Task 2)**

In addition to the plans for training, on solid waste and budget processes, technical assistance was agreed to. Plans were also made for an IT assessment to be made in March with grant guidelines and applications in place by the first of April. At a meeting with AED they indicated that they are able to fund training experts from the states to come to Tajikistan. This might include an expert from the States to work with the pilot cities (and their nearby jamoats) on their service delivery topic (solid waste.) This would be to assess training needs, modify existing training and TA materials to the local situation and train trainers in the topic - as well as provide a little basic TA. A TARF will be prepared and submitted in March.



In conjunction with the proposed IT training and grant process, IT TA will include developing capacity for managing a beginning IT system for the city.

The IT Specialist began work full time. The IT Specialist began gathering data for the IT Assessment for Kurgan-Tube. Data gathering for Kolyob is to be done the first week of April. The assessment is to be completed by mid-April to allow bids and equipment acquisition by late April to early May.

### **Social Partnerships (Task 3)**

UI Dushanbe hired a grants manager, Nazira Tadjibaeva, to work on grants components for the projects.

Discussions with the Mayor of Kurgan-Tube included grant opportunities for working with the CBO's and mahallas on developing "model clean neighborhoods" and revolving funds for the purchase of dumpsters and other equipment.

Using materials from Kyrgyzstan project, UI Tajikistan developed draft guidelines for grant programs and is ready to set priorities for grants and to define training for recipients. Members of a proposed Board of experts are being identified.

### **Building Constituencies for Local Government Reform (Task 4)**

UI collected data and conducted follow up interviews with national and local government officials as part of the development of the Local Government Assessment Report. As part of this process, local NGO's and think tanks were contacted and the process of assessing their capacity for input to the decentralization process was begun. A meeting was held with the executive director of the Center of Social Technologies of the Republic of Tajikistan. UI has agreed to provide materials on local government experiences and reform for the library being developed by the Center. Initial materials included local government laws and studies from CEE and Balkan experience. Additional materials will be provided on an ongoing basis. UI hired a decentralization specialist, Hkrushreda Nazirova for its local staff.

The Presidential Working Group charged with drafting a local government law agreed that an Advisory Board would be useful. It was decided that in addition to representatives from Urban Institute, UNDP, and CIMERA, that representatives from SDC, AKF, UNTOP, OSCE, NGOs involved in the issues of local government and members of the top Presidential Working Group would sit in the Advisory Board. UNDP, CIMERA, and UI, the three agencies primarily involved with the work on decentralization, agreed on a series of support activities for the Presidential Working Group and the Group of Experts. Support will include two workshops and a study tour by UI, a study tour by CIMERA, one week of technical assistance expert by UNDP and general coordination of round tables with the working groups by UNDP. An MOU incorporating the plans of UI and CIMERA was signed by UNDP and the Presidential working group.

UI participated in a round table discussion of the relationship between the central government and the regions. The round table is part of an ongoing discussion of local government issues that is to feed into the legislative reform recommendations due to Parliament in July.

A compilation of local government laws and country strategies was provided to the Presidential Working Group, mayors of the pilot cities, the Khatlan Oblast and 5 NGOs. A Chart of 16 characteristics of effective local governments was prepared to compare the countries of Tajikistan, Kyrgyzstan, Albania, and Slovakia.

The Chart was prepared by the Tajikistan, Kyrgyzstan, and UI Washington offices. The chart has been provided to the same group as received the compilation of laws and additionally to a group of donor agencies that are involved in various aspects of local government.

#### **National Level Policy Support (Task 5)**

Copies were provided of local government legislation for various countries to UNDP for use by the Presidential Working Group on local government reform. Discussions continued on the role of UI with the Presidential Working Group. It was agreed that UI will provide a workshop for the Presidential Working Group and its associated committees on the basics of decentralization of local government. This workshop will be held in February or March depending on the Chairperson's scheduling.

UI worked on revising the initial draft of the local government assessment report for submission in early March. Additional data related to the operations of local government on the ground has supplemented the initial draft. This information has been received thanks to UI's expanded presence in Tajikistan.

UI agreed with UNDP to organize a seminar on decentralization policy issues for the Presidential Working Group in late March. UI anticipates having comparative experience from Albania and Kyrgyzstan presented, together with a general overview of decentralization issues, modeled on UI's standard fiscal decentralization course.

The Local Government Assessment Report was completed and accepted by USAID. Distribution will begin in April. This is the first report to review the status of local governments in Tajikistan. A portion of the report that compares the characteristics of Tajikistan local government with that of 16 characteristics of effective local government found that Tajikistan complies partially with only one of the basic characteristics.

An all day meeting was held for the Presidential Working Group on Local Government Legislative Reform, the pilot city mayors, a representative of Khatlon Oblast governor's office, two members of Parliament, selected NGO's and donors to present issues associated with decentralization and local government reform. Five of the six members of the Presidential Working Group attended including the Minister of Justice who is head of this working group. (The sixth member was out of the Country.) Although there have been discussion groups formed by other donor groups for the purpose of raising the issues, there seems to have been little discussion or education on how some of the issues can and have been resolved in other countries. Peter Epstein of the Urban Institute in Washington reviewed the strategic planning process used in Albania and some of the basic issues encountered by other post Soviet countries as they moved toward decentralization. The topical part that generated the most discussion was done by Charlie Undeland of the Kyrgyzstan project on functional assignments, revenue following these assignments and the revenue equalization/transfer formula information. Mr. Epstein and Mr. Undeland are preparing a review of the major Tajikistan local government laws and commenting on sections that could make significant, yet politically possible and tolerable changes. A follow on meeting is planned in late April to present this review and the recommendations along with portions of the conclusions from the Local Government Assessment. Additional materials from other countries are also being compiled for this meeting.



### **Study Tours (Task 6)**

Agreement was reached with AED for a study tour on decentralization. Participants will include members of the Presidential Working Group on decentralization and Chairpersons of the two UI pilot cities.

UI has begun planning the AED-funded study tour to Albania on decentralization policy issues. The tour is slated to take place in late May.

The planned Study Tour for the Presidential Working Group to Albania planned for early May has been delayed. The President has directed that members of the upper levels of the government not travel out of the Country until after the vote on the Constitutional Referendum scheduled for June 22, 2003. We have requested that this study tour be included in AED plans for July or August.

### **UZBEKISTAN ACTIVITIES/DELIVERABLES**

#### **National Policy Development (Task 1)**

UI hired a housing specialist, Gavhar Alieva, who brings extensive experience in Uzbekistan's housing sector to the project, having worked for several years as a senior official in Tashkent's housing maintenance agency.

UI reviewed reports on TSJs provided by its partners, the State Agency "Uzcommunhizmat" and Federation of Consumer Rights Protection Societies. UI will utilize the data and some of the observations in this report to provide background analysis for policy discussions on amendments to TSJ legislation to take place in March. UI has helped to bring together an informal working group consisting of officials from the Cabinet of Ministers, State Agency "Uzcommunhizmat", Tashkent khokimiat and partner organizations to review recommendation. In addition, Akmal Saidov, Director of the National Human rights Centre and chairman of Parliament's Committee on Democratic Institutions, NGOs and Citizens' Self-government, Akmal Saidov, has expressed willingness to promote recommendations in Oliy Majlis. UI will explore the needs and develop a package of assistance to this Committee.

UI conducted two meetings of the working group that it has established to discuss issues of TSJs' operation. The group selected problems that can be solved through adopting amendments to existing TSJ legislation. The work on the text of amendments and changes to the legislation has started.

In order to provide more data in support of its activities as well as GoU efforts to assess the implementation of TSJ reforms, UI developed a survey instrument for ordinary residents and TSJ leaders. This instrument was provided to the Parliamentary Committee on Democratic Institutions, NGOs and Citizens' Self-Government and will be used in Samarkand during parliamentary examination of the performance and effectiveness of the Law on TSJs.

On March 3 UI met with the Deputy Prime Minister of Uzbekistan, Kozim Tulyaganov, on his request to discuss UI activities. USAID/CAR Country Representative in Uzbekistan, James Goggin, also took part in the meeting. Mr. Tulyaganov expressed his interest in the implementation and success of the project.

The work on the text of amendments to TSJ (housing association) law is under way. UI has identified 16 problem areas, of which over half could be addressed through changes in the housing association or TSJ

law. Approaches to these problems were discussed at two seminars organized by the UI together with the Tashkent city khokimiat and State Communal Services Agency (CSA) "Uzkommuhizmat" for the officials of local governments and communal services providers.

The Cabinet of Ministers officials assisted UI in conducting the signing ceremonies of agreements, seminars and trainings in Tashkent and Ferghana valley.

### **Establish Pilot Locations (Task 2)**

UI prepared the drafts of MOUs, which will set up partnership between UI and State Agency "Uzcommuhizmat" and khokimiats in pilot sites. In accordance with USAID approved pilot cities, the MOU drafts were discussed with the officials of the Tashkent and Andijan city and oblast khokimiats and the heads of State Agency. The signing of MOUs will take place at the end of February or beginning of March after completion of accreditation process of UI.

UI held a series of meetings with the officials who deal with the coordination of TSJ activities in Uzbekistan, Tashkent and Ferghana Valley, partner organizations and TSJ leaders with the aim of establishing contacts and discuss initial activities in pilot sites.

UI developed final edition of MOUs that will be signed with the selected municipalities and State Agency "Uzcommuhizmat".

After UI submitted an additional letter to the government explaining its project, the Cabinet of Ministers sent formal instructions to the State Agency "Uzcommuhizmat", oblast khokimiats and Tashkent city khokimiat on cooperating with LGI-II project. Further, the Deputy Prime Minister of Uzbekistan, Kozim Tulyaganov, requested a meeting to discuss UI activities.

UI signed agreements on cooperation with the Tashkent city khokimiat and the CSA. USAID Mission Director for Central Asia George Deikun and USAID staff in Uzbekistan were present at the signing of agreements.

### **Public Awareness Campaign (Task 3)**

UI has hired a public information specialist with extensive media experience, Faruk Turaev, to work fulltime on the project. UI began to identify partner organizations to work on development and dissemination of informational materials throughout Uzbekistan. UI reviewed previous publications and intends to publish informational articles in February in the newspapers. During a the trip to Ferghana valley UI established contacts with regional mass media and local authorities who promised to help in conducting awareness campaign in their cities. Work has begun on preparing a booklet about the rights and obligations of the owners of the apartments in TSJs. The Open Society Institute (Soros Foundation) showed interest in joint publication of such a booklet for mass distribution.

UI received proposals from ABA/CEELI for joint production of PSAs on housing issues.

UI developed a booklet about the rights and obligations of the owners of the apartments in TSJs and held meetings with representatives of the Open Society Institute (Soros Foundation) on cost-sharing of



publishing as well as conducting media competition for the best coverage of TSJ issues in mass media. Presently, both sides are preparing for signing MOU and holding a competition for printing companies. UI and Soros Foundation also agreed to initially print 50,000 copies of the booklet for distribution in pilot sites.

UI also held meetings with American Bar Association/Central European and Eurasian Law Initiative (ABA/CEELI) representatives for cooperation on designing, cost-sharing, production and distribution of radio and TV PSAs. The ABA/CEELI showed great interest in cooperation, future expansion and attraction of other donor organizations to the joint activities. The joint work on radio and TV PSAs will start in mid March.

UI prepared a plan of events for media and best TSJ competitions, study tours to Kyrgyzstan and Kazakhstan, and grant programs in all directions.

UI provided information and invited journalists to the signing of the agreements with Tashkent city khokimiats and the CSA and the seminars for the heads of khokimiats and communal service providers and local government officials. Both events were covered by the main Uzbek channel TV news, national newspapers, and news agencies.

UI and Open Society Institute Assistance Foundation (OSI) signed agreements on cooperation, coordinated the text and selected printing company for publishing booklet in three languages – Russian, Uzbek and English. OSI has earmarked \$3,000 for booklet publication.

#### **Training Activities (Task 4)**

UI has hired a local training coordinator, Natalya Secret. UI reviewed existing training materials from Uzbekistan, Kyrgyzstan and Russia and has begun their adaptation to the needs of the program in Uzbekistan.

UI developed criteria for assessing local interactive training sources and held meetings with NGO representatives and commercial training organizations to assess their potential for preparing and carrying out TOT and training for TSJ leaders. The assessment and selection report will be submitted to USAID separately. UI has been negotiating with the local interactive groups on training and conducting TOT. UI anticipates delivering trainings on location through existing "Mulokot" clubs, but utilizing trainers equipped with interactive methodology and curricula. Trainers will be selected from housing experts/representatives of local NGOs and then to be trained as trainers. These trainers will provide follow-up meetings and consultations.

UI distributed invitations to TOT to the interested government, international organizations and NGOs in pilot sites. UI will prepare two local interactive training groups for Tashkent and Ferghana valley.

UI prepared an Assessment of Local Training sources and Selection Report that will be submitted to USAID under separate cover. UI selected Tashkent Public Education Center, as a partner organization for participating in TOT development and deliver. The work on developing training materials for TOT is under way. Presently, UI is accepting CVs for selecting TOT participants. UI developed action plans on providing grants to training activities for 2003. UI developed a seminar for the heads of khokimiats and communal service providers.



UI prepared and submitted to USAID the Assessment of Local Training sources and Selection Report. UI selected participants together with the Tashkent Public Education Center (TPEC), and developed training materials and conducted a five-day training of trainers (TOT) session in Tashkent. In accordance with USAID recommendations one participant from Samarkand was invited to TOT. UI also invited the chairwoman of TSJ association of Nukus city at the request of Karakalpakistan khokimiat. The selection of candidates for TOT from Ferghana valley city representatives has started.

The participants of the seminar discussed the preliminary program and training components of the seminar for TSJ representatives prepared by the UI.

UI distributed surveys for assessing TSJ activities among training and seminar participants.

#### **Development of Housing Advocacy Groups (Task 5)**

UI took part in the Republican conference of Federation of Consumers Rights Protection Societies (FCRPS) to support their activities. At the conference UI made remarks which were aired on the main two TV channels in Uzbekistan.

UI prepared plan of events for grant programs to support regional associations.

UI provided as a methodical support to FCRPS a questionnaire for assessing TSJ activities, and Russian and Kyrgyz Laws on TSJ. UI discussed with FCRPS the opportunity of supporting the Federations' training and consulting activities for TSJ.

UI assisted the Federation of Consumer Rights Protection Societies (FCRPS) in conducting a weekly training for Tajikistan NGO representatives on the issues of TSJ formation and its activities. UI participated in the training and shared Russian experience and approaches in finding solutions to the problems in Uzbekistan.

UI invited four FCRPS representatives to participate in TOT. UI also assisted FCRPS in developing the project of request for participation in Civic Advocacy Support Program (CASP) implemented by Counterpart International. UI took part together with FCRPS and the CSA in the conference and working meeting of Counterpart International in order to support partners and their participation in this project.

#### **Study Tours (Task 6)**

UI coordinated with AED/Uzbekistan on TARF and discussed the UI assistance in designing the itinerary for the study tour to CEE countries.

UI helped to AED/Tashkent to design Training Request form for the study tour to Slovakia.

UI also developed a plan for study tours to Kyrgyzstan and Kazakhstan. UI Tashkent staff was able to meet with colleagues in Bishkek to plan the content of study tours to Kyrgyzstan.



UI assisted AED/Tashkent in preparing the schedule and budget for the study tour to Slovakia. The selection of candidates for study tour has already started during the seminars and training held at TPEC. An exchange of housing officials and association leaders in the Fergana Valley with Kyrgyz counterparts is planned for late April. UI is continuing to research options for organizing a study tour to Kazakhstan. While reforms and problems are similar in Kazakhstan and Uzbekistan, there is some question about organizational issues and what may be shown on a tour to Kazakhstan that would encourage better approaches and practices in Uzbekistan.

### **III. DELIVERABLES AND REPORTS**

- January Monthly Report
- February Monthly Report
- March Monthly Report

### **IV. PROBLEMS OR DELAYS AFFECTING TASK ORDER PERFORMANCE**

- There continues to be foot-dragging in the national government on implementation of the decentralization strategy. Continuing uncertainty about the status of parliament and the current make-up of the Cabinet of Ministers following the February referendum has contributed to this lack of activity. UI continues to work with national officials and help our local partners prod this process along, but prospects for movement appear limited in the near term.
- The delivery of the Tajikistan assessment was delayed by the difficulty in obtaining official data and accurately defining the structure of local government in Tajikistan. This was a far more complicated task than expected, and was complicated by the frequent, lengthy power outages.

### **V. WORK PLANNED FOR NEXT REPORTING PERIOD**

- Conduct round table discussions on developing recommendations on amendments to TSJ law.
- Deliver TOT in Andijan.
- Prepare the program and training materials for one-day trainings for initiative groups of homeowners and TSJ chairmen.
- Conduct a series of seminars for journalists, local government representatives, TSJ leaders and residents.
- Sign subcontracts with Federation of Consumer Rights Protection (FCRPS) and training center of State Agency "Uzkommunhizmat".
- Prepare seminar materials for training FCRPS representatives on TSJ issues.
- Assess candidates and conduct study tour to Kyrgyzstan.
- Conduct study tour to Slovakia.
- Print booklet on homeowner rights and obligations.



- Publicize and conduct media competition.
- Prepare PSAs and educational film.

## **VI. SPECIFIC ACTION REQUESTED**

None at this time.