

Capital: Astana

Population: 14.8 million (2001)

GDP(current US\$): \$22,319 million (2001)

Population below minimum subsistence level: 31.8% (2000)

GDP per capita (current US\$): \$1,506 (2001)

GDP per capita (purchasing power parity): \$5,900 (2001)

Religion: Muslim (47%), Russian Orthodox (44%)

Language: Kazakh (64%), Russian (95%)

President: Nursultan Nazarbayev

Prime Minister: Daniyal Akhmetov

Ambassador to US: Kanat Saudabayev



National Interests: Key U.S. interests in Kazakhstan are: (1) building upon the GOK's commitments to the global war on terror; (2) building upon non-proliferation programs that have registered impressive successes, particularly under the U.S.-GOK Cooperative Threat Reduction (CTR) Agreement; (3) promoting democratic governance, open markets, a favorable investment climate for U.S. firms, and integration of Kazakhstan into the world trading system, and (4) supporting efforts to enhance Kazakhstan's capabilities to effectively address the rapidly-growing transport of illicit drugs produced in Afghanistan. USAID works in the areas of democratic and economic reform, health, and conflict mitigation.

OVERVIEW OF USAID'S FOCUS IN KAZAKHSTAN

FY04: Total FSA - \$33.342 million, USAID Total - \$28.144 million

Economic Reform (FY04 \$12.2 million, 43%): USAID's program to improve the environment for the growth of small and medium sized enterprises (SMEs) in Kazakhstan has three main components: (1) transferring modern business skills and making business information more available (Pragma, Carana); (2) increasing access to finance by enhancing lender knowledge, strengthening financial institutions, and creating alternative sources of finance (Small Enterprise Assistance Fund-SEAF, EBRD, Pragma, and KCLF Microcredit); and (3) promoting more transparent, systematic implementation of laws and regulations, including customs modernization, reduction of investment constraints and World Trade Organization accession (Pragma). In FY04 a new land reform initiative is being launched to familiarize farmers with their rights under the new code as well as to assist the GOK develop implementing regulations for cadastre, titling, and registration systems (Associates in Rural Development - ARD).

Energy and Water (FY04 \$2 million, 7%): USAID's energy program focuses on demonstration of practices for oil field clean up, reform of environmental regulatory systems to create incentives for adherence to international standards, an information system for oil and gas revenues and related statistics, and assistance for transparent tendering of oil and gas blocks in the Caspian Sea.

Democracy and Media (FY04 \$5.3 million, 20%): USAID's democracy strategy concentrates on building a democratic culture mainly through support for: (1) civil society organizations (Counterpart, National Democratic Institute); (2) independent media (Internews and Adil Soz); (3) civic and democratic education, including extracurricular activities reinforcing democratic values (International Foundation for Election Systems - IFES); (4) judicial ethics/independence (ABA/CEELI) and training (IRIS); (5) improving local government transparency and openness to citizens (Urban Institute); and (6) support for democratic political parties and other institutions committed to democracy (NDI). In FY04, USAID is stepping up support (Freedom House) to Kazakhstan's fledgling human rights organizations in order to bring more public understanding and awareness of abuses.

Conflict Mitigation (FY04 \$0.4 million, 1.5%): The Community Action Investment Project or CAIP is the centerpiece of USAID efforts to address the threat of ethnic- or resource-based conflicts in Central Asia. CAIP activities in Kazakhstan (ACDI/VOCA) are focused along the country's southern border near Uzbekistan to help local communities identify and solve basic community problems.

Health and Population (FY04 \$4.8 million, 17%): Health programs in Kazakhstan are focused primarily on improving primary health care and on infectious diseases. USAID-initiated reformed PHC practices cover 39% of Kazakhstan's population. In 4 pilot oblasts, doctors are being trained in family medicine, including primary care, reproductive health, and treatment of children with diarrhea and acute respiratory infection. At the national level, USAID is introducing co-payments and equalizing health resource allocation across oblasts (ZdravPlus program with Abt Associates, the American International Health Alliance-AIHA). Infectious disease programs focus on treatment of TB (Center for Disease Control-CDC, Project Hope), and HIV/AIDS prevention and surveillance (CDC, Population Services International-PSI, Soros).