



**Asian  
Development Bank**  
Kyrgyz Republic  
Resident Mission



**Islamic  
Development Bank**  
Regional office  
Almaty, Kazakhstan



**KfW German  
Development Bank**  
Regional Office  
Almaty, Kazakhstan



**The World Bank**  
Country Office in the  
Kyrgyz Republic

# **The Kyrgyz Republic:**

## **2007 JOINT COUNTRY PORTFOLIO REVIEW**

Vol.1      JOINT BACKGROUND PAPER

April 2007

## CURRENCY EQUIVALENTS

(as of 31 December 2006)

Currency Unit	–	Som (Som)
Som1.00	=	\$0.0262
\$1.00	=	Som 38.1238
ID1.00	=	SDR1.0000
€1.00	=	Som50.1805
SDR1.00	=	Som57.3062
€1.00	=	\$ 1.20

## ABBREVIATIONS

ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
CAS		Country Assistance Strategy
CBO	–	Community based organization
CBD		Community Based Development
CDF	–	Comprehensive Development Framework
CDS	–	Country Development Strategy
CDWUU	–	Community drinking water users unit
JCPR	–	Country Portfolio Review
CSP	–	Country Strategy Program
JCSS	–	Joint Country Support Strategy
DCA		Development Credit Agreement
DGA		Development Grant agreement
DfID	–	Department for International Development
DO		Development Objectives
DMCs	–	Developing member countries
EA	–	Executing Agency
IFIs	–	international financial institutions
IDA		International Development Association
IDF		Institutional Development Fund
IMF	–	International Monetary Fund
IDB	–	Islamic Development Bank
IP		Implementation progress
ISR		Implementation Supervision Report
JFPR	–	Japan Fund for Poverty Reduction
KfW	–	KfW Development Bank
KYRM	–	ADB Kyrgyz Republic Resident Mission
MDGs	–	Millennium Development Goals
MfDR	–	Management for Development Results
MOEF	–	Ministry of Economy and Finance
MTBF	–	Medium-term budgetary framework
NBKR	–	National Bank of the Kyrgyz Republic
NGO	–	Non-Governmental Organization
NPRS	–	National Poverty Reduction Strategy
PIP	–	Public Investment Program
PIU		Project Implementation Unit
PPR	–	Project Performance Report
PRC	–	People's Republic of China
PRGF	–	Poverty Reduction and Growth Facility
PHRD		Policy and Human Recourses Development
RBM	–	Results-based management
SDC	–	Swiss Agency for Development and Cooperation
TA	–	Technical Assistance
TF		Trust Fund
TOR	–	Terms of reference
WB	–	World Bank
WB CO		World Bank Country Office
WUA	–	Water-users association

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## I. INTRODUCTION

1. The objective of the 2007 Joint Country Portfolio Review (JCPR) is to assess the performance of the country portfolio, identify positive and negative factors affecting the portfolio performance, and agree on actions for its improvement. This review covers the period from 1 January to 31 December 2006.

2. This is the fourth country portfolio review conducted by international financial institutions (IFIs) which provide a major portion of development assistance to the Kyrgyz Republic. The last joint portfolio review was conducted by Asian Development Bank (ADB), Islamic Development Bank (IDB), KfW German Development Bank (KfW), and the World Bank (WB) during 6-27 March 2006. The 2007 JCPR was conducted jointly by the same participating IFIs, with ADB continuing to act as the coordinating agency<sup>1</sup>. The 2007 JCPR continued to apply the result-based approaches<sup>2</sup> towards the country portfolio management initiated during the 2006 JCPR, in order to assess, how the current portfolio contributes to achieving the Country Development Strategy (CDS) goals. The 2007 JCPR piloted an analysis of portfolio impact on achieving the country's development objectives at the sector level. The 2007 JCPR findings may contribute to the joint results-based Country Support Strategy (JCSS) being finalized by the ADB, Department for International Development of the United Kingdom (DfID), Swiss Agency for Development and Cooperation (SDC), various the United Nations Agencies, and the WB.

3. This joint background paper provides an overview of the participating IFI's assistance, highlights key portfolio achievements and shortfalls during 2006, reviews the status of portfolio indicators and actions agreed with the Government in 2006, and discusses the new action plan for portfolio management in 2007. Individual background papers, which provide details of the specific IFI's portfolios and their performance assessment, are in **Volume 2: Attachments 1-4**.

## II. LESSONS FROM THE PREVIOUS JCPRS

4. The JCPRs and the quarterly JCPR meetings proved to be an effective tool for addressing both systemic and operational issues affecting the portfolio performance. They have also contributed to a higher level of cooperation among the IFIs in coordinating their activities at the sectoral level and towards further harmonization of the donor procedures.

5. The 2006 JCPR identified the lack of sector strategies as a major barrier for assessing the portfolio contribution to achieving the country's development objectives both by the participating IFIs and the Government.

6. The 2006 JCPR demonstrated the benefits of having a single agency responsible for coordinating the participating IFIs. This year, the partner-IFIs again assigned ADB to act as a coordinating agency for 2007 JCPR.

7. The 2006 JCPR confirmed the practicality of conducting the portfolio review by the end of first quarter of the Government's fiscal year, when the year-end data and portfolio performance indicators become available.

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<sup>1</sup> The joint review was conducted by a team comprising (i) ADB: M. Ashraf Malik, Country Director; Valeri D. Tian, and Asel Chyngysheva, Sr. Project Implementation Officers; Cholpon Mambetova, Project Implementation Officer; and Gulkayr Tentieva, Economics Officer; (ii) IDB: Nik Zainal Abidin, Director, and Rustam Eshonhujayev, Country Officer, Regional Office; (iii) KfW: Simone Wunsch, Director, Regional Office; and Olga Gorovenko, Local Expert; and (iv) WB: Roger Robinson, Country Manager; Dinara Djoldosheva, Sr. Country Officer, Mirlan Aldayarov, Ainura Kupueva, and Asel Sargaldakova, Operations Officers.

<sup>2</sup> The results-based management (RBM) approach in portfolio management is a part of a wider concept of Management for Development Results (MfDR). RBM involves a comprehensive system of planning, monitoring, reporting, and managing projects and operations. This is based on the existing results-oriented practices to (i) strengthen focus on results, both for developing member countries (DMCs) and IFIs; (ii) assist in building result-based management capacity in DMCs; and (iii) develop the ability to measure and analyze the progress towards results and use this information to improve performance.

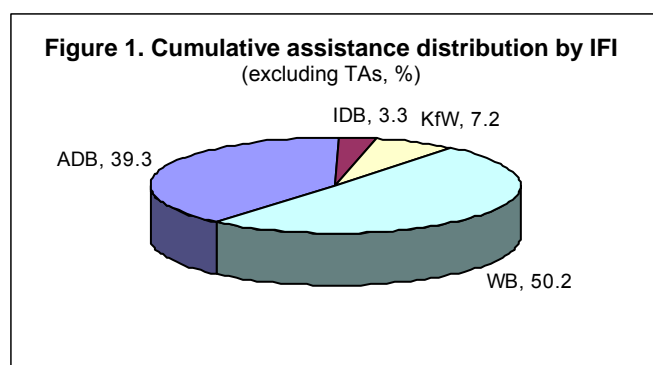
### III. JOINT PORTFOLIO COMPOSITION AND SIZE

#### A. LOANS AND INVESTMENT GRANTS

8. The Kyrgyz Republic joined the WB in 1992, IDB in 1993, and ADB in 1994. It also became a partner country of KfW in 1993. The summary of cumulative country assistance provided by the participating IFIs is given in **Annex 1**. Since 2005, the Kyrgyz Republic, as a low income country with high indebtedness, became eligible for receiving a significant level of assistance in forms of grants. Under IDA-13 (FY03-05) program, the Kyrgyz Republic was eligible to receive up to 40% of total assistance on grant basis, whereas under IDA-14 (FY06-08) the country is eligible for 100 % percent grant based assistance. The WB has been providing all assistance on grant basis since June 2005. Under the Asian Development Fund (ADF) IX replenishment (2005-2008), ADB provides up to 50% of its annual assistance on grant basis since 2005. KfW provided 50.9% of all previous allocations to the Kyrgyz Republic on a grant basis. This percentage may increase in the future, particularly, for projects directly aimed at poverty reduction (health, education etc.) and environment protection. The lending terms of the participating IFIs are shown in **Table 1** below.

**Table 1. Lending Terms**

IFI	Repayment Period years	Grace Period years	Interest Charge %	Service Charge %	
<b>ADB</b> (ADF terms <sup>3</sup> )	projects	32	8	1.00 / 1.50 <sup>4</sup>	0.00
	programs	24	8	1.00 /1.50 <sup>2</sup>	0.00
<b>IDB</b> loans <sup>5</sup>	Installment sale <sup>6</sup>	25	3-7	2.50	0.00
		15	0-3		6.00 <sup>7</sup>
<b>KfW</b> (IDA terms)	40	10	0.75	0.00	
<b>WB</b> (IDA terms)	40	10	0	0.75	



9. **Size:** As of 31 December 2006, the cumulative assistance of the participating IFIs reached \$1,547.62 million, comprising \$608 million from ADB (39.3%), \$61.8 million from IDB (3.3%), \$111.7 million from KfW (7.2%),<sup>8</sup> and \$776.3 million from WB (50.2%). **Figure 1** below shows the cumulative assistance distribution by IFIs. This assistance comprises 94 operations under various financing modalities such as policy-based budget support, investment projects both

<sup>3</sup> Effective from 1 January 1999.

<sup>4</sup> 1.00% during loan grace period and 1.5 thereafter.

<sup>5</sup> Current size of loan is usually limited to ID7.00 million per project. *ID* = Islamic Dinar which equivalent to Special Drawing Right (SDR) of the IMF.

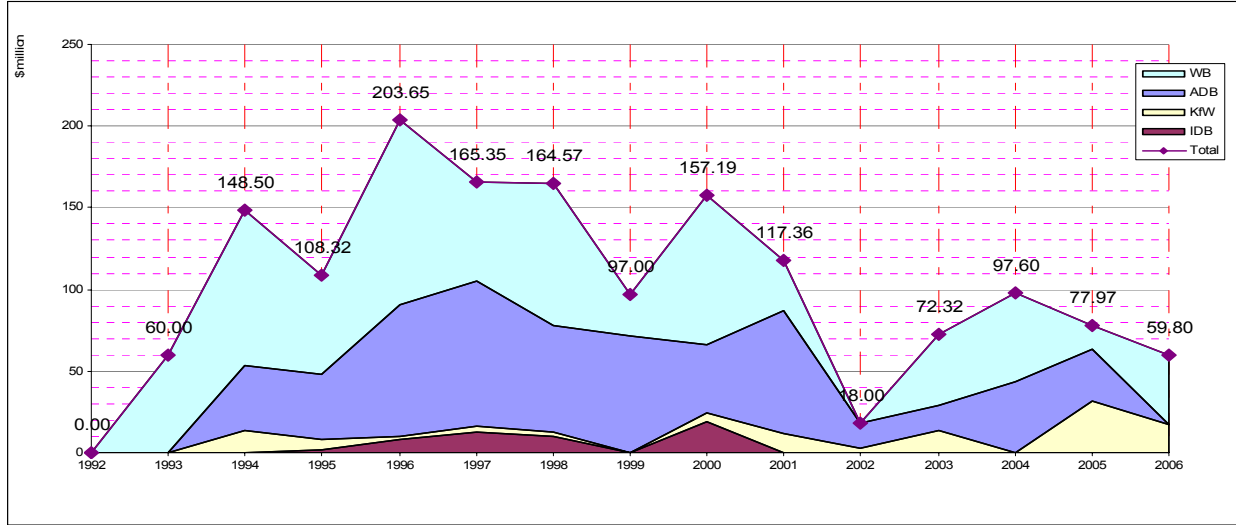
<sup>6</sup> *Installment sale (IS)* is a medium-term mode of financing introduced by IDB in 1984. It calls for a contract between IDB and beneficiary for whom the Bank procures tangible assets and sells it at a mark-up allowing the beneficiary to make the payment on a deferred basis. Current size of IS is usually limited to ID 35.00 million per project. Current mark-up is fixed at 6% with a rebate of 15% for prompt repayment. Repayment is made in semi-annual installments over a period of 15 years including gestation period of up to 3 years.

<sup>7</sup> markup of 6% with a rebate of 15% for prompt repayment.

<sup>8</sup> This reflects the KfW's current commitments only. The total current allocation from the German Government is substantially higher. Additional €62.9 million are available for further commitments.

on lending and grant basis, and IDB's installment sale type operations. Out of total 94 operations, 41 are ongoing. The total amount of active portfolio is \$561.2 million, of what \$286.3 (51.0%) has been disbursed. **Figure 2** shows the evolving levels of total annual assistance provided by participating IFIs during the period from 1992 to 2006.

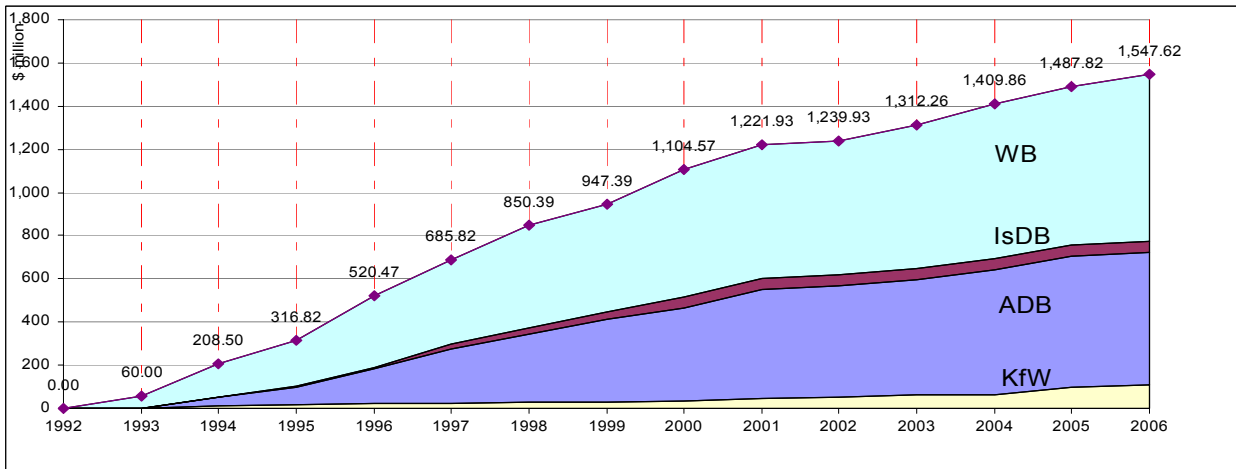
**Figure 2. Country annual assistance levels by the participating IFIs in 1992-2006**  
(excluding TAs, \$mIn)



Note: Numbers in the Figure refer to the total annual assistance levels by the participating IFIs.

10. The annual assistance level of the participating IFI's began with \$60 million provided by WB in 1993 and reached the peak of \$203.7 million in 1996. Thereafter, the assistance levels steadily decreased to \$117.4 million in 2001. The total annual assistance level sharply dropped in 2002 to merely \$18.0 million, as a result of the Government's debt reduction strategy. This strategy envisaged a reduction in the size of largely externally funded Public Investment Program (PIP) from about 6% of GDP in 2001 to about 3% of GDP by 2005 and thereafter. Starting from 2003, the assistance level started to grow again and reached \$97.6 million in 2004. This is mainly attributed to the increased assistance in the form of grants from the ADB, KfW, and the WB. In 2006 the participating IFIs provided a total assistance of \$59.8 million. **Figure 3** below shows the annual cumulative amounts of loans and investment grants received during 1992-2006.

**Figure 3. Annual cumulative assistance in 1992-2006**  
(excluding TAs, \$mIn)



11. By the end 2006, ADB provided 25 loans<sup>9</sup> and one ADF grant for a total of \$604 million equivalent. The country has also received five Japan Fund for Poverty Reduction (JFPR) grants<sup>10</sup> amounting to \$4.0 million.<sup>11</sup> As of 31 December 2006, fifteen loans have been closed; closing of one loan<sup>12</sup> was pending; and ten loans and one ADF grant were ongoing. Of the five JFPR grants, one was closed and the remaining four are ongoing. Three ongoing loans<sup>13</sup> and one regional JFPR grant are scheduled to be closed in 2007.

12. IDB provided 6 loans totaling \$43.61 million equivalent and 2 installment sale operations for \$18.50 million. Five projects were completed, two were cancelled, and one ongoing project will be closed in 2007. Last two loans were approved in 2000, of which one was cancelled. No loans were approved during 2001-2006.

13. As of 31 December 2006, KfW approved 21 investment operations with total commitment for \$111.7 million (€93.1 million)<sup>14</sup>, of which about 60% has been disbursed. The amount of \$44.5 million (€37.1 million, 40.0%) has been committed in grants and the remainder \$67.2 million (€56.0 million) as loans. Ten operations are active. In addition in 2002 and 2005, the German government signed framework agreements with the Kyrgyz government on debt reduction through debt swaps for total up to €13.0 million. In 2005, the first debt swap sub-agreement was signed with the Kyrgyz Republic for approximately \$0.96 million (€0.77 million). Further debt swaps are under discussion.

14. By end-2006, the WB supported 38 IDA-funded projects for a total approved amount of \$776.3 million, of which US\$604.3 million have been disbursed. Nineteen operations for a total amount of \$481.0 million have been completed, and nineteen operations for a total amount of \$254.3 million are ongoing. Eight out of 19 ongoing projects are provided on grant basis for total amount of \$98.0 million (38.5%). In addition to IDA funds the country also received about \$64.8 million grant funds through various trust funds (PHRD, IDF, etc.) out of which \$49.2 million have been disbursed. Furthermore, the Kyrgyz Republic also benefits from two regional WB-funded grant projects.

15. **Composition:** The analysis of sector distribution of the portfolio is indicative, as the participating IFIs use slightly different sector classification systems. For the purposes of this analysis, a combined classification was used with some ADB's and WB's classification categories merged. **Figure 4** below shows the portfolio distribution by sector and IFI. ADB and WB are active in all mentioned sectors while magnitude of their respective assistance varies. KfW provides sizable assistance to *health, energy, and banking sectors* and plays an important role in the *private sector, industry, and trade*. IDB assistance focuses on the *energy and transport sectors* with limited assistance to the *health sector*.

16. Operations in the *social sectors* comprising education (\$63.2 million or 4.1%); health, nutrition, and social protection (\$173.6 million or 11.2%); and multisector (\$161.0 million or 10.4%) make total \$397.8 million, which is the largest portion (25.7%) of the total four IFI's portfolio. ADB plays leading role in assisting the education sector (76.3% of sector portfolio), while WB assistance is crucial in health, nutrition, and social protection sector (58.8% of sector portfolio). KfW also plays an important role in this sector contributing second largest share (31.2%) of the total assistance.

<sup>9</sup> All these loans were provided on concessional terms from the Bank's special fund resources (ADF).

<sup>10</sup> JFPR is a grant facility financed by the Government of Japan and administered by ADB.

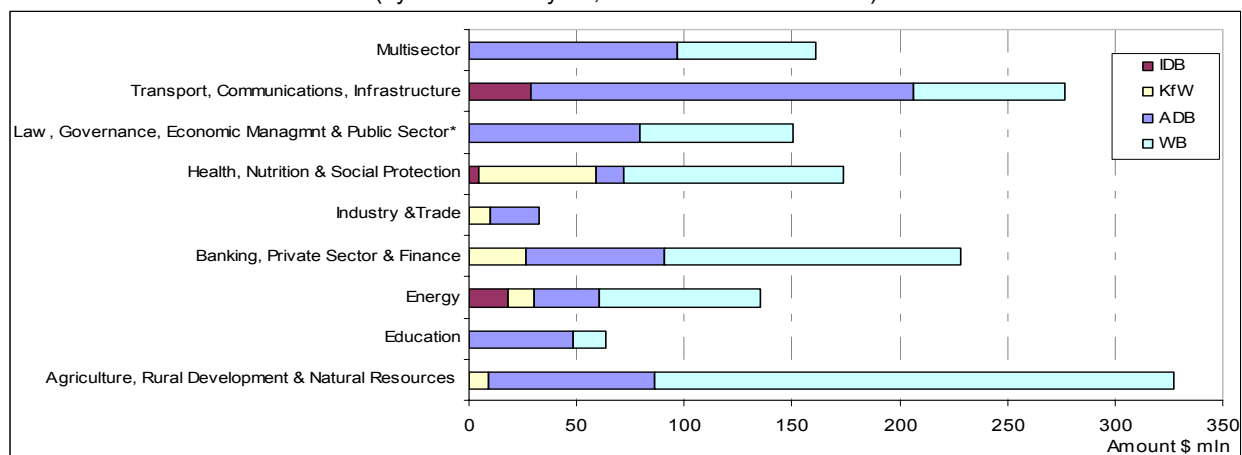
<sup>11</sup> This includes two regional grants for improving nutrition in Central Asia countries, and three grants for reducing vulnerability to natural disasters, reducing neonatal mortality, and improving livelihood of poor in rural areas.

<sup>12</sup> Loan 1775: Almaty-Bishkek Regional Road Rehabilitation.

<sup>13</sup> Loan 1775: Almaty-Bishkek Regional Road Rehabilitation, Loan 1853: Third Road Rehabilitation, and Loan 2045: Emergency Rehabilitation.

<sup>14</sup> At exchange rate €1 = \$1.20

**Figure 4. Volume of Assistance**  
(by sector and by IFI, as of 31 December 2005)

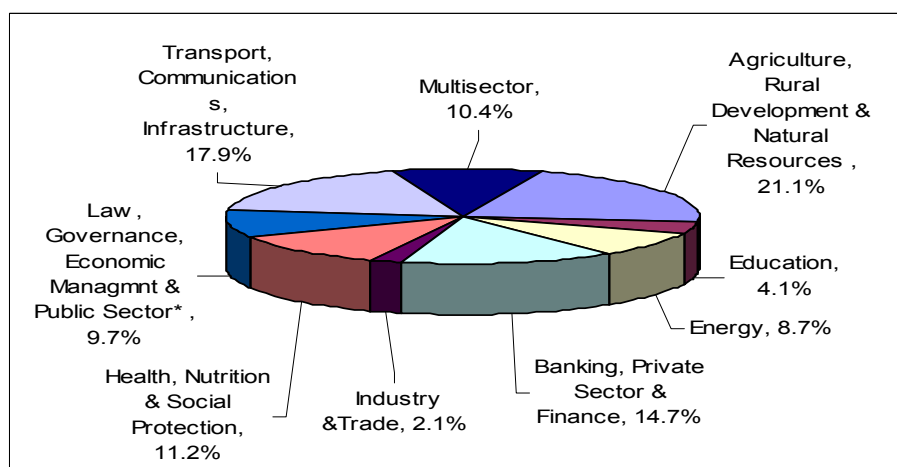


17. The *agriculture, natural resources and rural development* sectors receive the second largest share of assistance which grew from 18.6% in 2005 to 21.1% of total portfolio in 2006. The cumulative assistance reached 326.96 million, of what the major part (73.7%) was provided by the WB through multiple and diverse operations. ADB supported only two investment operations, but remains the second largest donor accounting for 23.6% of the total assistance to the sector.

18. The *transport, communications, and infrastructure* sector is the third largest recipient of investment assistance totaling to \$276.5 million. Its share increased slightly from 17.2% of total country portfolio in 2005 to 17.9% in 2006. ADB's assistance remains the largest, accounting to 64.3% of the total sector portfolio. The WB is the second largest donor accounting for 25.3% of total assistance to the sector, focusing on urban infrastructure. IDB supported 10.4% of total sector portfolio, focusing on regional roads rehabilitation.

19. The *banking, finance, and private sector* accounts for \$228.0 million (14.7%); the *law, governance, economic management and public sector* for \$150.8 million (9.7%); the *energy* sector for \$135.4 million (8.7%); and the *industry, and trade* for \$32.3 million (2.1%) of the total portfolio. **Figure 5** shows the share of each sector in the overall country portfolio of the participating IFIs.

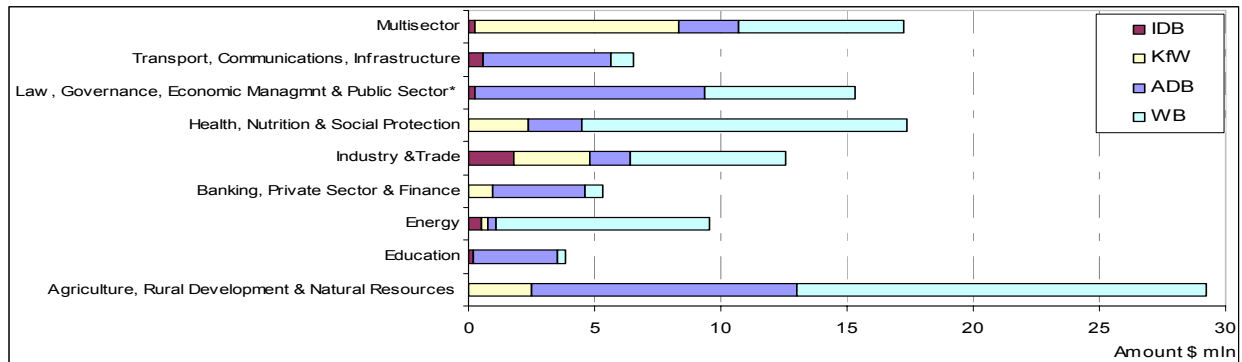
**Figure 5. Assistance Distribution by Sector**  
(by amount as of 31 December 2006)



## B. TECHNICAL ASSISTANCE

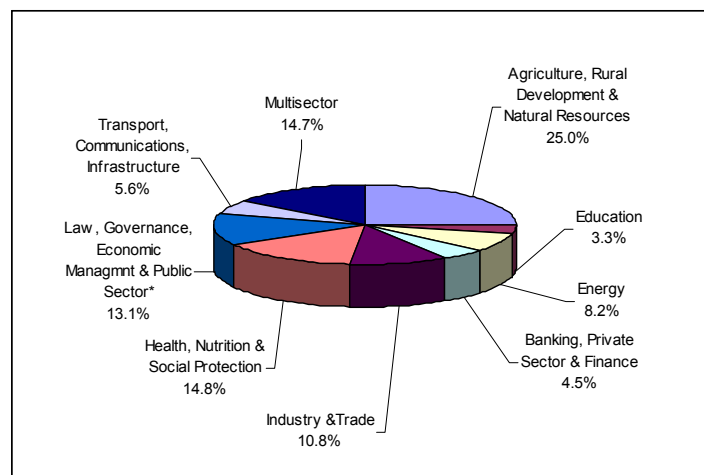
20. **Size.** As of end-2006, the participating IFIs provided 148 technical assistance (TA) projects for a total \$117.0 million to support institutional and sector policy reforms, capacity building, and project preparation. All assistance was provided on a grant basis. The WB provided the largest portion accounting for 49.7%. ADB financed 32.5%, KfW 14.7%, and IDB 3.0% of the total TA. **Figure 6** below shows the distribution of TAs by sector and IFI.

**Figure 6. Volume of Technical Assistance**  
(by sector and by IFI, as of 31 December 2006)



21. **Composition.** The sector distribution of TA slightly differs from that of investment and program operations. The *agriculture, natural resource, and rural development* sector attracted the largest portion (25.0%), even higher than sector share in investments and programs portfolio. The second largest recipients of TAs is *the health, nutrition, and social protection sector* (14.8%). The *multisector* accounts for 14.7% of total TA, indicating that a sizable share of TA has a cross-sector nature, particularly that of the KfW assistance.<sup>15</sup> The total TA to *industry and trade* sector is five times of the sector share in the investments and programs portfolio, while the share of the TA to the *banking, private sector, and finance* sector is four times of the investments and programs portfolio. **Figure 7** shows the share of each sector in the overall TA portfolio.

**Figure 7. Sectoral Distribution of TAs**  
(by amount, as of 31 December 2006)



<sup>15</sup> This reflects the Study and Expert Fund of the German Financial Cooperation which is used for the preparation of projects and is not predetermined sector-wise

#### IV. JOINT PORTFOLIO PERFORMANCE HIGHLIGHTS

22. The 2006 JCPR introduced the joint country portfolio management framework (2006 PMF), which defined specific indicators for assessing the portfolio performance at impact, outcome, outputs, and activities levels. The detailed status of PMF is in **Annex 2**.

##### A. PORTFOLIO IMPACT

23. **Portfolio Impact Assessment Methodology.** Last year, JCPR pointed out that, usually, EAs pay a disproportionate attention to monitoring project inputs including rehabilitation of infrastructure and facilities, provision of equipment, and number of training conducted, while assessment of project outcomes often receives little or too late attention. Results-based management includes the focus shift from project inputs and outputs to achieving the project outcomes and impacts. The desired portfolio impact implies that the ongoing assistance effectively contributes to the country development through improved sector policies, institutions, infrastructure, and services. The impact assessment requires an analysis of the portfolio impact at a sector level. The proposed methodology interprets the portfolio contribution to sector performance at the respective sector impact, outcome and outputs levels. This requires a well-defined strategy framework and performance indicators. This year, the lack of clear defined sector strategies has constrained the analysis to health care, education, roads, and irrigation sectors.

24. **Impact on the Health Sector.** Since 1991, when the social expenditures dropped dramatically, the Kyrgyz health care system faced the increasing fiscal constraints and the country's health status has deteriorated. The health care system featured an excessive capacity, highly skewed to costly and ineffective hospital services, with large outlays for wages and utilities and limited funds for direct patient care. Informal payments grew substantially, and the historically free health service rapidly transformed into a de facto fee-for-service system. In 1996, 45% of rural patients seeking hospital care had to sell their produce or livestock to be able to pay for the health care. To address these challenges, the Government with the WHO support developed in 1996 a 10 years Manas health sector strategy, aimed at reforming the health system through (i) *strengthening the primary health care (PHC)* which serves the largest portion of the population, especially those in the rural areas; (ii) *rationalizing health services* through downsizing the specialized health care program concentrated in large hospitals; (iii) *improving quality of care*; (iv) *improving access to the health care services for the poor* by providing financial protection to a large share of the population that did not seek care because of prohibitive out of pocket health spending; (v) *adjusting the health care delivery to the available resources, and more equitable distribution of the available resources.*

25. To enable the sector reforms, IFIs provided a critical assistance in drafting, reviewing and commenting fundamental laws, concepts, and institutional changes. This includes (i) development of new legislation for purchaser/provider split, autonomy of health providers, pooling the funding at national level,<sup>16</sup> and (ii) introducing the new mechanisms for provider payments (capitation for PHC and case-based payment system for hospitals). MOH focus was strengthened on its steward role in policy making, priority setting, resource mobilization, budget formulation, and monitoring and evaluation. The Mandatory Health Insurance Fund was established to play an active purchasing function.

26. The PHC was strengthened through supporting the capacity building for family medicine and health promotion. During 2001-2006, over 8,000 health professionals were trained in family

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<sup>16</sup> Single Payer Law, Law on Health Institutions, and Laws on interpretation of Article 19 of Budget Law, and Article 57 of Local Governance Law

medicine.<sup>17</sup> In addition, 168 managers of health facilities received training on health management, and 385 people were trained on health promotion. About 800 family group practitioners were established across the country. This was complemented by assistance for rehabilitation/construction of health care facilities, including: 76 FAPs, 41 inpatient facilities, and 54 SES laboratories. Meanwhile, the number of hospitals was decreased from 703 in 1999 to 301 in 2004, with number of hospital beds and bed capacity reduced by 25%. Health care financing reforms have resulted in *increased the PHC share in sector budget from 7% in 1994 to 29.9% in 2004; and the expenditure allocated to direct patient care (including meals and drugs) from 16.4% in 2000 to 36.6% in 2004.*

27. To sustain the existing level of health care service, IFIs have financed procurement of essential drugs, vaccines, medical equipment, spare parts and supplies. The quality and effectiveness of health care was improved through development/updating of 89 clinical guidelines and implementation of “outpatient drug benefit package”. The introduced “outpatient drug benefit” package reduced the out-of-pocket payments for outpatient drugs, and improved an access to health care service for the poor.

28. The reforms expanded the PHC coverage up to nearly 98% under state free benefit package. The access for the poor to secondary referral services grew from 1.6% in 2000 to 3.8% in 2004. By end-2006, health sector performance improved showing a 60% decline in infant mortality from respiratory infections between 1996 and 2004; and a decline in TB mortality rates from 13.4 per 100,000 in 1995 to 11.8 in 2004. However, achievement of health Millennium Development Goals by 2015 remains a challenge, as important health status indicators, such as infant mortality rate, and under-5 mortality rate, and maternal mortality rate need further improvement. Therefore the importance of correctly diagnosing constraints to MDGs attainment and targeting interventions to groups which are not meeting MDGs is essential. The details IFI’s contribution to sector performance are shown in Health Care Sector Results Matrix (**Annex 3**).

29. The ongoing Health Sector-Wide Approach project (2006-2011) supports implementation of the Manas Taalimi Health Reform Program, developed by the MOH in 2005 as a successor to the Manas strategy. This includes support for financing of recurrent and operational costs, and strengthening the fiduciary systems in the health sector.

30. **Impact on the Education Sector.** Economic transition negatively affected the education system. Enrollments in primary and secondary education declined sharply from almost universal coverage to 88.4% by 1999. Dropouts increased from almost zero in 1985 to 6,100 by 1995. This coupled with the declining education quality and a lack of qualified teachers and modern teaching materials, and deterioration of school infrastructure. By 2000, only 68.2% of students had necessary textbooks. The student learning achievement (correct answers on national tests) dropped in literacy to 59.1%, mathematics - 81.4%, and life skills - 75.0% in 2001. By 1998, as a result of inadequate funding of maintenance and capital repairs, about 200 out of total 1,888 schools required urgent rehabilitation. Very few schools had computer classes. The number of state preschool institutions reduced drastically and their coverage dropped from 151,500 in 2000 to 45,600 in 2000 (7% of children 1–7 years of age).

31. Since 1998, ADB assisted the Government to sustain the education quality and coverage, focusing on rural areas, through: (i) *improved sector management and policy planning*; (ii) *rationalized MOE structure and staffing*, (iii) *developing the policy framework for private sector participation in textbooks production*, and (iv) *developing a social assistance mechanism to facilitate enrollment of children from poor families in basic and early childhood*

<sup>17</sup> Including: 2,578 physicians, 4,557 nurses, 23 physicians-instructors, 22 feldsher-instructors, 503 FAP feldshers, 348 ambulance feldshers, and 59 residents

*education.* About 3.4 million copies of 100 textbook titles were provided to schools throughout the country, of which 57 were new textbook titles. This improved the coverage rate from 68.2% in 2001 to 87.5% by 2003. By now, over 110,000 copies of 25 newly developed teacher's guides were printed with support of ADB and WB. About 8,400 teachers and school administrative staff (or more than 10% of a total cadre) received diverse skills upgrading trainings. Assistance included rehabilitation of 393 schools, furniture supply to 310 schools and development of ICT facilities at 58 schools. The enrollment in primary and secondary education improved from 98.2% in 2000 up to 99.3% by 2004. However, it dropped again to 92.9% in 2005, mostly due to high poverty prevalence. The ongoing IFI's assistance aims to increase enrollment rates in basic education to 99.8% and in upper secondary education to 76%, and learning performance by at least 10% by 2010. This will be achieved by (i) *modernizing the curriculum, learning aids, and the learning assessment methods*; (ii) *strengthening in-service teacher training and financial incentives, particularly for teachers in rural areas*; (iii) *improving learning environment in rural areas through rehabilitating school facilities and providing equipment and learning aids*; (iv) *piloting school grants for improved learning in Issyk-Kul and Talas oblasts*; and (v) *revising the textbook rental scheme and reprint textbooks and learning materials for primary and lower secondary schools.*

32. The support extended to early childhood development aims to achieve, by 2010, (i) 50% children coverage by preschools, and (ii) 30% of grade 1 student passed successfully math, literacy, and life-skills tests. By 2006, the new preschool education concept and standards were developed and approved, 50 new community-based preschools were established enrolling 1,527 children. To improve the employability of graduates from vocational schools and unemployed, ADB has provided a grant which aims to improve enrolment in primary vocational schools by 15%, and increase skills training coverage to 6,000 participants by 2012. The details of IFI's contribution to education sector development are shown in **Annex 4**.

33. Insufficient funding of recurrent costs of the assets created by IFI's-funded projects continues to hinder their sustainability. For example, a textbook rental scheme (TRS) introduced for improved access to and affordability of textbooks for the poor was recently abolished. Now the sustainability of textbooks supply remains in question. *To ensure achievement of sustainable development impacts, the Government needs to improve (i) financing of education including schools maintenance, teachers' salaries and teachers' training, (ii) efficiency in the utilization of limited resources, and (iii) link all interventions with results on the grounds.*

34. **Impact on the Road Sector.** The road sector plays a crucial role in the land-locked country's economic growth by ensuring a minimum cost access to regional and domestic markets, employment opportunities and services. In 2000, only 35% of 2,140 km of major regional road corridors and only 45% of 5,400 km of core domestic network were in good condition. This situation substantially constrained the country's development potentials. The road sector results matrix (**Annex 5**) indicates that the IFIs assistance<sup>18</sup> focused mostly on improving the country's major regional links, such as Bishkek-Osh, Bishkek-Almaty, Talas-Taraz-Suusamy, and Osh-Irkeshtam roads. This was complemented by technical assistance for improving border crossing procedures and transit arrangements to facilitate regional trade. *By end-2006, 22.6% of regional transport corridors were rehabilitated with donor assistance, resulting in total 55% regional corridors being in acceptable condition. By end-2010 about IFI's assistance cover about 60% of regional corridors, contributing to at least 75% of regional roads meeting the minimum operational standards. For the country, where the road network carries over 95% of cargo and passenger traffic, this translates into major economic benefits. Rehabilitation of Bishkek-Osh road, which is the only in-country surface link between southern and northern parts of the Kyrgyz Republic, made major contribution to preserving the country's*

<sup>18</sup> ADB, EU TACIS, IDB, Japanese Bank for International Cooperation, Japanese International Cooperation Agency, and WB

*social and economic integrity. The assistance delivery, however, was constrained by growing delays in project implementation. Completion of each road rehabilitation project was delayed by about two years, causing increased administration costs, deterioration of project financial performance, and erosion of project economic benefits.*

35. Lack of effective road maintenance system remains a major constrain for sector performance. This also brings serious doubts over sustainability of the development impact already achieved. The large investments (ADB loans for rehabilitating Bishkek-Osh road alone total to \$140 million) remain at risk. While about 45% of 5,400 km core network (including regional corridors) met the minimum operational standards in 2000, this figure dropped to 32.8% in 2006. This confirms inefficiency of the existing resource-driven maintenance system, which remains largely unchanged since Soviet times. To address this challenge, ADB assisted the Government to prepare a new sector development strategy for 2006-2010, which envisages: (i) improved funding and diversification of revenue sources for the road sub-sector; (ii) prioritization of road network; (iii) commercialization of the maintenance works; and (iv) reforms in sector management system. *Urgent and decisive actions need to be taken to implement the reform agenda in the sector.*

36. **Impact on Irrigation.** Irrigation plays a crucial role for crop production in Kyrgyz arid climate. Irrigated land may give 5 times more production than non-irrigated one. The country inherited an extensive irrigation system built in Soviet times. About 1 million ha of arable land (78% of total arable land) are irrigated and contribute more than 90% of total agricultural production. However, after independence in 1991, the irrigation infrastructure started quickly to deteriorate, due to sharp decline in irrigation sub-sector financing, and poor operation and maintenance. Previously, the on-farm irrigation infrastructure consisting of 22.7 thousand km of irrigation canals (5.5 thousand km of them are lined and with gutters), 4.3 thousand km of open and closed collector and drainage networks, more than 250 basins of daily and decade control, about 20 thousand of hydraulic structures earlier served by collective and state farms. As a result of their collapse, the systems had no owner and the farmers were unable to get irrigation water on time and in due quantity. By 2000, most canals and structures deteriorated, silted, and required substantial repairs. Ineffective management of water resources and off-farm and on-farm irrigation infrastructure negatively affected the agricultural production, farmers' incomes and ecologic sustainability of land and water resources.

37. The IFIs assisted the Government to (i) reform water management system, (ii) improve legal frameworks, (iii) establish Water Users Associations (WUA) and their federations as a new community-based institutional mechanism for sustainable operation and maintenance of on-farm and off-farm infrastructure, and (iv) rehabilitate deteriorated infrastructure. *IFIs assisted in (i) drafting the Water Code, (ii) developing the legal and regulatory documents on WUAs, and (iii) introducing a cost-recovery mechanism for O&M. By the end-2006, IFIs assisted to (i) rehabilitate more than a third of on- and off-farm irrigation systems covering 345 thousand ha; (ii) rehabilitate and improve safety of large dams with total command area of 495 thousand ha; (iii) establish more than 436 WUAs with command area of 700 thousands ha, or about 70% of the total irrigated land. Furthermore, IFIs provided assistance to protect 34 thousand ha of arable lands (of total 60 thousand ha) affected by floods. As a result, the agricultural production in project areas increased by 7% on average, which contributed to growth of national agricultural production by 4.5% as compared with 2000 data. Farmer's average income in project areas grew by 15% in comparison with 2000, which contributed to 9% of the total farmers' income growth at national level as compared to 2000.*

38. By 2010 the Government should complete (i) rehabilitation of the remaining non-performing irrigation systems, (ii) establishment of WUAs and federations to cover all irrigated

area and ensure their sustainability. Currently only 70 WUAs or 16% of their total number are considered to be sustainable. Irrigation Sector Results Matrix is in **Annex 6**.

39. *The 2007 JCPR recommends to (i) regular update the assessments of joint portfolio impacts on the above four sectors development (health, education, roads and irrigation), and (ii) assess the portfolio impact on the remaining sectors.*

## **B. PORTFOLIO PERFORMANCE**

40. The overall portfolio performance was improved as only one of total 41 currently ongoing projects are rate at risk. This compares favorably with 2006 JCPR data, when 3 of total 40 ongoing projects were rated unsatisfactory or at risk.

**41. ADB portfolio** performance slightly improved as only one out of 11 ongoing ADB-funded projects, namely Almaty-Bishkek Road Rehabilitation, has been assessed as being at risk, as compared with two ADB's projects being at risk in 2005. At the same time, the overall risk ratio<sup>19</sup> of the ADB portfolio increased from 7.7% in 2005 to 9.4% in 2006. *Project implementation delays constitute the major risk factor for the ADB's portfolio.*

42. **KfW:** Of ten on-going KfW projects, five are currently rated as potentially high risk projects. These include two financial sector projects and one energy project mainly due to difficult enabling environment in these sectors. This rating also applies to the financing of communal infrastructure started in 2005 through the Village Investment Program (VIP-KfW), and the newly started Sector-Wide Approach (SWAp) in health sector. All remaining projects are rated as medium risk projects.

43. **IDB:** Only one IDB-funded project is ongoing: Rehabilitation of Taraz – Talas – Suusamyrdarya Road, with an un-disbursed balance of ID1.688 million (equivalent of \$2.4 million). The works commenced in October 2004 and now scheduled for completion by mid-2007. However, the IDB is currently considering the Government's request to provide a \$3.6 million supplementary loan.

44. **WB:** None of 19 ongoing WB operations was rated as being at risk, while three operations have moderately satisfactory performance in development objectives (DO) and implementation progress (IP) ratings.

## **C. STATUS OF PORTFOLIO MANAGEMENT OUTPUTS**

45. The 2006 PMF includes 10 specific outputs for portfolio monitoring and management, including 6 for improvement in operational area, and 4 for improving the implementation environment. The operational outputs include: (i) review the status of the agreed sector policy reforms, institutional capacity building and regulations; (ii) portfolio monitoring at project level; (iii) progress in physical implementation; (iv) disbursement; (v) procurement; and (vi) project start-up activities. The outputs for improved implementation environment include: (i) minimized interruption of project activities by controlling bodies; (ii) clarified taxation of project inputs; (iii) harmonization of IFI's procedures and aid coordination; and (iv) intensified project supervision. The status of each output and associated activities is discussed below.

46. **Status of sector policy reforms, institutional capacity building, and regulations under current portfolio.** Support to the policy and institutional reforms is an integral part of IFIs' assistance and play crucial importance for ensuring the achievement and sustainability of project benefits. 2006 JCPR pointed on the existing implementation gap between the physical rehabilitation and policy components. To address this issue, the 2006 CPR agreed that the

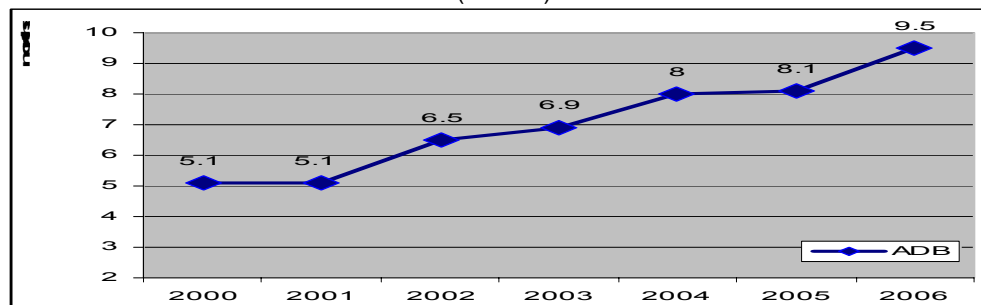
<sup>19</sup> Overall risk ratio is the weighted average of the 12 risk ratios used in ADB's portfolio performance monitoring system. The greater is percentage, the higher is the risk of poor portfolio performance

Government will (i) ensure implementation of all policy actions agreed under the current projects; (ii) focus on strengthening the new community-based institutions (these mostly refer to community drinking water user associations, water user associations, and credit unions) to ensure that at least 80% of them are sustainable. The Government achieved a notable progress in this area, verified by the following facts: (i) the sustainability ratio<sup>20</sup> 80 CDWUUs established under ADB-funded rural water supply project<sup>21</sup> grew from 14% in July 2006 to 37% by end-2006, (ii) of 169 CDWUUs established under the WB-funded project, 80% considered to be sustainable; (iii) of 440 WUAs, established under various irrigation related projects, 16% are found to be sustainable; (iv) of total 320 credit unions<sup>22</sup> reportedly only 60-65 % operate on sustainable basis.

**47. Portfolio Monitoring Systems.** Project performance monitoring systems (PPMS) are crucial for effective portfolio management by the Government. The status of PPMS establishment under ADB-funded projects is satisfactory, as 6 out of total 7 PPMS due have been established. The establishment of PPMS under Loan 1742: Community-Based Infrastructure Services Sector Project is pending. All WB-financed projects have PPMS as an integral part of projects' design. *Integrating the individual PPMS into sector development monitoring systems might be beneficial.*

**48. Delays in Start-up Activities.** 2007 JCPR noted the existing trend of gradually increasing the time spent for making the ADB's and IDB's loans effective. The average time taken from approval to loan effectiveness for the ongoing 10 ADB loans increased from 8.1 months in 2005 to 9.5 months on average in 2006. Average time from loan approval to signing, and from signing to effectiveness for all IDB lending operations was 6.9 and 5.8 months, respectively. On contrary, WB does not experience any problem in this area, due to active follow up on each start up action. All new projects became effective within three months after signing, as required. The effectiveness of KfW SWAp project faced some delays due to lengthy process of international agreement ratification by parliament. It would be advisable to shorten the approval process especially for grant agreements by exempting them from this requirement.

**Figure 8. Average time taken from approval to effectiveness of ADB loans**  
(months)



- Delays encountered at start-up stage most negatively affected three ongoing ADB-funded and one IDB-funded projects. The Almaty-Bishkek Road Rehabilitation project became effective 19 months after loan approval,<sup>23</sup> and the Third Road Rehabilitation was declared effective 10.4 months after approval. The Regional Customs Modernization and Infrastructure Development project became effective 15 months after approval and now requires a close monitoring to bring the project back on schedule. It took 34.6 months from approval of the currently ongoing IDB project to its effectiveness, including 29.8 months from approval to loan signing.

<sup>20</sup> CDWUUs and WUAs sustainability is assessed against various factors, of which the tariffs collection rate is the most important.

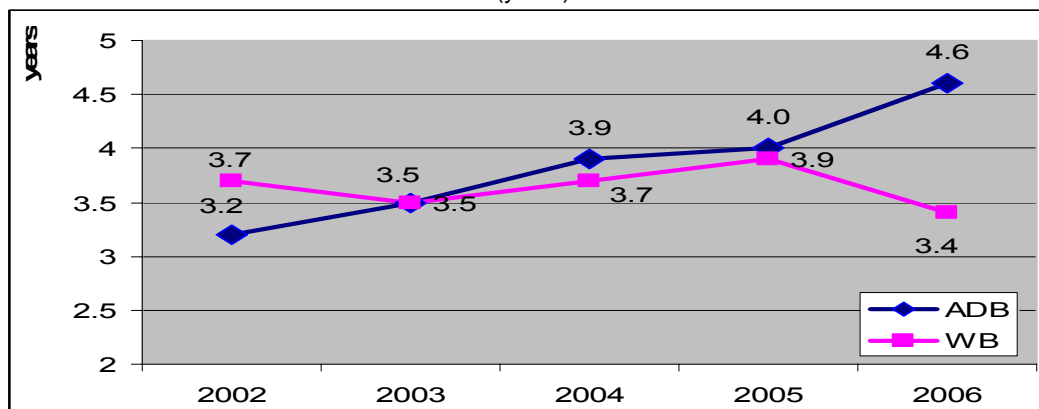
<sup>21</sup> Loan 1742-KGZ (SF): Community Based Infrastructure Services Sector Project

<sup>22</sup> Loan 1529-KGZ (SF): Rural Financial Institutions Project

<sup>23</sup> The project was significantly delayed by delay in ratification of the cross border transit agreement by the Kazakhstan Parliament.

49. **Progress in Physical Implementation.** The portfolio performance in this area was not fully satisfactory. Average age of active ADB portfolio was 3.2 years in 2002, 3.5 in 2003, 3.9 years in 2004, 4.0 years in 2005, and now reached 4.6 years. This compares unfavorably with the average active WB portfolio age of 3.4 years in 2006 calendar year, and 3.9 years in 2005. Of total six projects schedule for closing in 2006, one ADB-funded project, one IDB-funded project, and one WB-funded project were extended. Two WB-funded projects were closed as scheduled. *The multiple and lengthy project extensions continue to negatively affect the portfolio performance of these two institutions, through increased administration costs, deterioration of project financial performance, and erosion of project economic benefits.*

**Figure 9. Average ADB and WB Portfolio Age**  
(years)



50. **Disbursements.** 2006 disbursement targets were met. ADB's portfolio performance was satisfactory with a total of \$42.8 million disbursed or 110.3% of target. The disbursement ratio (with program loans) reached 32.6% as compared with 20.3% in 2005. This is much higher of 20% target set in the 2006 PMF. WB disbursement performance was also satisfactory with a total disbursement \$29.5 million in FY 2006, and disbursement ratio of 28.5%. IDB disbursement performance improved substantially, due expedited implementation of the only ongoing IDB-funded Taraz-Talas-Suusamy Road project. The IDB total disbursements increased from \$1.7 million in 2005 to \$4.41 million in 2006.

51. **Procurement.** Overall the portfolio performance in this area was satisfactory. WB's portfolio fully met the target indicators; however *there were cases when procurement decision making appeared to have been hampered by the interference of high officials in the procurement process.* The ADB's portfolio performance in this area was mixed. Aggregate contract awards under ADB-funded projects reached only 80.2% of the target, against 91.1% during previous year. This shortfall is attributed mostly to delay in implementing Southern Transport Corridor Road Rehabilitation Project. At the same, the ADB commitment ratio improved significantly from 18.8% last year to 35.4% and is well above the target of 20%. No procurement activities were undertaken under the only ongoing IDB-funded project. KfW did not experience problems in this area. *Project implementation units continue to encounter problems in convincing their senior officials of the necessity to follow the agreed procedures. This lack of high officials' knowledge of procurement and the internal bureaucracy are continuing to affect the procurement decision-making process.*

#### D. STATUS OF ACTIONS AGREED

52. Within the framework of 2006 PMF, the participating IFIs and the Government agreed total 24 actions addressing all 10 portfolio performance areas discussed above. **The progress in implementing these actions was poor**, as only 11 actions were implemented, 6 are

pending, one became irrelevant, and remaining 6 are being complied with. The pending actions relate to agreed improvements in (i) sector policy reforms, (ii) portfolio monitoring at MOF level; (iii) procurement; and (iv) general project implementation environment.

53. The pending two actions in the area of sector policies reforms include compiling sector-wide inventories of pending policy and institutional strengthening measures, developing time-bound implementation plans, establish regular monitoring and assign clear responsibilities for its implementation. Further delay may prevent the Government from achieving sustainable development impact under the current portfolio.

54. The Government failed to conduct a semi-annual portfolio review in 2006. This most negatively affected the country portfolio monitoring, and prevented the Government and participating IFIs to timely take necessary corrective measures to improve portfolio performance during 2006. The 2007 JCPR originally scheduled for mid-March 2007 was also significantly delayed.

55. The **project implementation environment continues to have some problems**, as no decisive action was taken by the Government to resolve the issue of discrepancies in taxation of project inputs and international consultants. The Government also needs to strengthen aid coordination at sector level.

## V. TA PERFORMANCE HIGHLIGHTS

56. TA performance assessment below is limited to ADB-funded projects, due to existing differences in TA execution arrangements and performance monitoring systems of the participating IFIs.

57. The overall TAs implementation efficiency improved. The TAs start-up period shortened, as it took 1.7 months on average to sign TAs after their approval, which is better than ADB average of 3.3 months. As against the norm of 6 months, the time taken to field consultants after TA signing averaged about 6.3 months in 2006, which was much shorter than in 2005 (9.9). The submission of final reports deteriorated, which were delayed by 4.5 months on average in 2006 against 3 months in 2005.

58. There is a significant scope for improving the effectiveness of technical assistance, particularly for advisory TAs. Out of the 50 completed TAs, one<sup>24</sup> was rated as unsuccessful as key outputs were not achieved. According to ADB post-evaluation, the factors which impaired the quality of TAs outcomes were the lack of adequate ownership and participation of concerned state agencies in the capacity building process, frequent changes in senior officials in the ministries, reorganization of agencies, and transferring of personnel trained under the TAs. In particular, the above factors most adversely impacted on the objectives of four TAs in finance, agriculture and education sector.<sup>25</sup> In many cases the government agencies demonstrated inability to translate the knowledge gained into their operational strategies and planning processes. To ensure the effectiveness of future TA projects, their concepts need be fully aligned with relevant sector strategy, Government ownership over the proposed TA project objectives needs to be confirmed and ensured during the implementation. The Government needs pay attention to retaining/increasing the institutional capacity built under TA projects.

<sup>24</sup> TA 3439: Capacity Building in the Ministry of Agriculture, Water Resources and Processing Industry, Phase Two.

<sup>25</sup> TA 2473: Strengthening the Ministry of Economy; TA 2450: Reorganization and Strengthening of the Ministry of Agriculture, Water Resources and Processing Industry; TA 2879: Strengthening of Education Planning and Administration, and TA 3234: Strengthening Aid Coordination and Management.

## VI. CONCLUSIONS AND THE PROPOSED 2007 JOINT PORTFOLIO MANAGEMENT FRAMEWORK

### A. CONCLUSIONS

59. The overall portfolio performance was satisfactory, with marginal shortfall in procurement area. The Government and EAs strengthened their focus on ensuring the achievement of development impacts under the country portfolio. This includes a substantial progress made during the reviewed period in elaborating the development strategies for roads, education, and agriculture sectors and preparing specific sector results matrixes. The latter enabled the Government and IFIs to start a more rational discussion on the focus and magnitude of portfolio contribution to achieving the country's development objectives at sector level. *This effort needs to be continued to cover all sectors.* Notable progress was also observed in strengthening the Government's focus on capacity building in community-based institutions established under several projects. At the same time, the following areas continue to generate serious concerns:

- (i) Lack of clear sector strategies with well-defined and easily monitored sector development indicators,
- (ii) lack of progress in implementing policy actions agreed under the current portfolio, which may adversely affect achieving and sustainability of project development impacts;
- (iii) growing delays in project start up and implementation, leading to erosion of project benefits;
- (iv) lack of progress in resolving the discrepancies in taxation of project inputs and international consultants.

### B. 2007 JOINT PORTFOLIO MANAGEMENT FRAMEWORK FEATURES

60. The 2007 JCPR will discuss and agree with the Government the proposed 2007 JPMF which includes:

- (i) *at portfolio impact level, a specific target to develop, update or refine the sector strategies and sector results-matrixes for specific sectors;*
- (ii) *at outcome and output levels, updated portfolio performance indicators for portfolio risk factor, procurement and disbursements targets;*
- (iii) *all pending actions agreed under 2006 JPMF; and*
- (iv) *three new actions related to sector strategies development, merging PIUs at sector level, and refining the procedures for PIU staff remuneration levels.*

61. **Portfolio Impact.** The IFIs recommend the Government to further develop/update/refine sector strategies and sector results matrixes for *health, education, roads, irrigation, rural water supply and agriculture sectors.* The Government will expedite development of strategies for the remaining sectors. *The next JCPR will continue monitoring the portfolio impact at sector level.*

62. **Key Portfolio Indicators.** The Government and IFIs agreed to pursue (i) reducing the number of projects at risk to zero, (ii) meeting the disbursement and procurement targets set for the fiscal year 2007, and (iii) ensuring timely effectiveness of total 10 new projects and closing of total 6 currently ongoing projects.

63. **Portfolio Monitoring.** The Government and IFIs will review the progress in implementing the 2007 JPMF and revise it as appropriate no later than September 2007. Ministry of Finance, jointly with agencies concerned, will be responsible for organizing these meetings and ensuring timely implementation of the 2007 JPMF.

64. **Project Implementation Environment.** The Government will finalize identification and implementation of necessary corrective measures to address discrepancies in taxation of development project inputs, particularly, with regard to international consultants.

65. **Consolidation of PIUs.** The IFIs generally support the Government's initiative for merging PIUs within each sector into a consolidated sectoral unit. However, a cautious approach needs to be applied to ensure PIUs consolidating will not cause interruption to project implementation. *The participating IFIs suggest considering consolidation of PIUs in education and health sectors, and in roads, irrigation, and rural water-supply sub-sectors, as a first step in this direction. To implement this action, 2007 JCPR recommends to the Government to (i) develop and agree with concerned donors the new consolidated PIUs structures, and (ii) review and amend the relevant loan/grant documents, if required, prior to consolidating PIUs.*

66. **PIU Staff Remuneration Rates Defining Procedure.** The Government revised the regulations for PIU staff salary levels to match the market rates. *However, the regulations do not provide for a clear mechanism for defining individual rates. The Ministry of Finance will issue a detailed instruction to address this irregularity by 30 September 2007.*

67. The proposed 2007 JPMF is attached below.

### C. 2007 JOINT PORTFOLIO MANAGEMENT FRAMEWORK

Design Summary	Performance Targets/Indicators	Data sources/ Reporting Mechanisms	Risks/Assumptions
<p><b>Impact</b></p> <p>The ongoing assistance effectively contributes to the country development through improved sector policies, institutions, infrastructure and services</p>	<ul style="list-style-type: none"> <li>2007 health, education, roads, irrigation, rural water supply sectors performance indicators are met</li> </ul>	<ul style="list-style-type: none"> <li>MOEF annual report</li> <li>National statistics</li> <li>IFIs and EAs project completion reports</li> <li>Annual sector development reports</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Political and economic situation is stable</li> <li>IFIs assistance is aligned with the Government development strategies</li> </ul> <p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Clear sector strategies with well-defined and easily monitored sector development indicators mostly do not exist or do not match the resources available</li> </ul>
<p><b>Outcomes</b></p> <p>Portfolio performance improved</p>	<ul style="list-style-type: none"> <li>No of projects at risk decreased from 1 to 0</li> <li>all WB and ADB projects have DO and IP rated as satisfactory or higher</li> </ul>	<ul style="list-style-type: none"> <li>2008 JCPR</li> <li>WB and ADB project performance monitoring systems</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Project designs are adequate and provide with sufficient timeframe for institutional and policy changes required</li> <li>Sector policy actions are timely and effectively implemented</li> </ul>
<p><b>Outputs</b></p> <p>1. <b>Sector policy reforms,</b> institutional capacity strengthening and legal changes agreed under the current portfolio are fully implemented.</p>	<ul style="list-style-type: none"> <li>All agreed policy actions due implemented</li> <li>At least 80% of community-based institutions established in rural water supply and irrigation are sustainable<sup>26</sup></li> </ul>	<ul style="list-style-type: none"> <li>MOTC, MOH, MoE, MAWR reports to 2008 JCPR</li> <li>The Department of Rural Water Supply and Department of Water Resources reports to 2008 JCPR</li> <li>IFIs review missions reports</li> <li>IFI's post completion audit reports</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Proposed policy changes and their timeframes are feasible</li> </ul> <p><b>Risks</b></p> <ul style="list-style-type: none"> <li>State budget may not be sufficient to accommodate the new O&amp;M costs</li> </ul>
<p>2. The Government <b>portfolio monitoring</b> improved</p>	<ul style="list-style-type: none"> <li>All PPMS systems in place by due date in all ongoing projects</li> </ul>	<ul style="list-style-type: none"> <li>EA report to 2007 JCPR</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Project design provide with adequate resources to develop and implement the PPMS</li> </ul>
<p>3. <b>Project start-up activities and physical</b></p>	<ul style="list-style-type: none"> <li>3 ADB loans (1 JFPR), 3 KfW, 1 IDB, and 3 WB funded projects are effective in due</li> </ul>	<ul style="list-style-type: none"> <li>semiannual portfolio review</li> <li>EAs reports to 2008</li> </ul>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>The EAs might be affected by changes in the Government</li> </ul>

<sup>26</sup> Sustainability here means that the tariffs/fees/contribution collection matches the operational needs to eliminate the relevant governmental support/subsidies

Design Summary	Performance Targets/Indicators	Data sources/ Reporting Mechanisms	Risks/Assumptions
implementation are efficient	<ul style="list-style-type: none"> <li>time</li> <li>3 ADB, 1 IDB and 2 WB funded projects closed by due dates</li> <li>average ADB portfolio age decreased from 4.6 years to at least 4.0</li> <li>average WB portfolio age sustained <math>\leq</math> 4 years</li> </ul>	<ul style="list-style-type: none"> <li>JCPR</li> <li>2008 JCPR report</li> </ul>	<ul style="list-style-type: none"> <li>Unstable economic environment including price escalations</li> <li>Low capacity of local contractors</li> </ul>
4. Disbursements are better planned and expedited	<ul style="list-style-type: none"> <li>2007 total disbursements target (ADB \$38.8 million; WB \$52.0 mln) are met</li> <li>ADB and WB disbursement ratio (excluding program loans) <math>\geq</math> 20%</li> <li>EA's arrears to contractors = 0 by 31 December 2007</li> </ul>	<ul style="list-style-type: none"> <li>2008 JCPRs</li> <li>MOF's report</li> <li>IFI Missions' reports</li> <li>EAs' progress reports to IFIs</li> </ul>	<b>Assumptions</b> <ul style="list-style-type: none"> <li>2007 PIP limit match the disbursement requirements</li> </ul>
5. Procurement is executed timely and effectively	<ul style="list-style-type: none"> <li>2007 contract award targets are met: <ul style="list-style-type: none"> <li>ADB \$46.0 million</li> </ul> </li> <li>Contract award ratio <math>\geq</math> 20%</li> </ul>	<ul style="list-style-type: none"> <li>2008 JCPR report</li> <li>MOF's report</li> <li>IFI Missions' reports</li> <li>EAs' progress reports to IFIs</li> </ul>	<b>Risks</b> <ul style="list-style-type: none"> <li>Interference of high officials into procurement process</li> <li>Government's low capacity in project implementation and particularly in procurement</li> </ul>
6. Discrepancies in tax regulations for IFI-financed projects are resolved	<ul style="list-style-type: none"> <li>By 30 July 2007 the necessary amendments to legal documents are agreed with IFIs</li> </ul>	<ul style="list-style-type: none"> <li>MOEF report to midyear JCPR meeting</li> </ul>	<b>Assumptions</b> <ul style="list-style-type: none"> <li>The Government takes a proactive role in resolving the inconsistency of domestic tax regulations with international agreements signed with IFIs</li> </ul>
7. IFIs procedures harmonized and aid coordination improved	<ul style="list-style-type: none"> <li>ADB/WB harmonized procurement and disbursement documents apply</li> <li>By 31 December 2007 at least 2 joint missions fielded</li> <li>Minimum 4 single aide coordination committees and 4 sector PIUs established at sector level</li> </ul>	<ul style="list-style-type: none"> <li>IFIs' reports on harmonization activities</li> <li>IFIs' reports on joint missions</li> <li>2008 JCPR report</li> </ul>	<b>Assumptions</b> <ul style="list-style-type: none"> <li>IFIs committed the harmonization exercise</li> <li>Government effectively fulfills its role in aid coordination</li> <li>EA assumes full responsibility for donor coordinating at sector level</li> </ul>
8. Portfolio supervision by IFI's strengthened.	<ul style="list-style-type: none"> <li>50% of active ADB and 20% of active WB portfolio administrated locally</li> <li>IFIs maintain average 2 missions a year per project</li> </ul>	<ul style="list-style-type: none"> <li>JCPR report</li> <li>IFIs missions reports</li> </ul>	<b>Risks</b> <ul style="list-style-type: none"> <li>IFIs may not have sufficient and qualified staff resources</li> <li>Schedule of individual staff of partner IFIs may not provide for sufficient flexibility</li> </ul>

Activities	Milestones
<b>Sector policies</b> <p>1.1 The Government will develop/update/refine sector strategies and sector results matrixes for health, education, roads, agriculture, irrigation, and rural water supply sectors</p> <p>1.2 The line ministries will prepare, maintain and timely update an inventory of all pending policy and institutional strengthening measures agreed with IFIs under all ongoing project (combined by sector), and develop a time-bound implementation plan, establish regular monitoring and assign clear responsibilities for its implementation, particularly, for the following sectors/sub-sectors: health, education, roads, agriculture, irrigation, rural water supply, and customs.</p> <p>1.3 The EAs and IFIs will jointly review the status of implementation of the sector's policy and institutional changes during semiannual portfolio review.</p>	<p>December 2007</p> <p>30 September 2007 December 2007 (pending since 2006)</p> <p>30 September 2007</p>
<b>Portfolio monitoring</b> <p>2.1 MOF will submit a semiannual report to the IFIs on the status of Portfolio Management Framework, key portfolio performance indicators status (including status of compliance with loan covenants, submission of audit reports, implementation progress, disbursement status, timeliness of counterpart funds release, and other portfolio performance related issues ).</p> <p>2.2 MOF jointly with EAs and IFIs review and ensure that the adequate project performance monitoring systems (PPMS) in each ongoing project are place in due time</p>	<p>30 September 2007</p> <p>By respective projects due dates</p>

<b>Start-up activities and physical implementation</b>	
3.1 The Government will take necessary actions for timely completion of start-up activities	regularly
3.2 EAs develop and follow detailed time-bound project implementation project plans, review and update them regularly	regularly
<b>Disbursements</b>	
4.1 MOF plan, allocate and reallocate available resources, in close consultations with PIUs and the EAs, and inform IFIs on decisions made.	regularly
4.2 EAs carefully monitor the impact of price escalation factor on all large civil works contracts and plan the project implementation and disbursements accordingly	regularly
4.3 IFIs maintain average processing time for w/a at $\leq 10$ days with individual w/a delay $\leq 2$ weeks	regularly
<b>Procurement</b>	
5.1 IFIs will conduct: <ul style="list-style-type: none"> <li>• at least one operational training (projects preparation, supervision, and completion)</li> <li>• 2 workshops in procurement procedures for improving the knowledge of senior officials, staff of the EAs, PIUs and domestic consulting companies, contractors and suppliers</li> </ul>	By end-2007
5.2 EAs will develop and implement the human resource management policy to retain the staff trained under development assistance projects for at least 2 years.	30 September 2007 (pending since 2006)
5.3 EAs will implement the Regulations on establishment of tender commissions approved by MOF order №48-n of 9 May 2007.	regularly
5.4 Except for large contracts, IFIs will respond to EA's procurement recommendations within 14 days	Regularly
<b>Implementation environment</b>	
6.1 To address the discrepancy in regulations regarding VAT and income tax for international consultants the MOF working group will review the associated legislation and donor procedures and develop an efficient strategy for resolving the issues of taxation of goods, works, services, taking into account various privileges and exemptions and agree this strategy with IFIs	30 September 2007 (pending since 2004)
6.2 The Government will review and harmonize the taxation procedures/ orders/ instructions issued by different government organizations and apply them uniformly to all projects financed by international organizations and donor countries.	30 September 2007 (pending since 2006)
7.1 IFIs will field joint missions where possible as a part of the ongoing harmonization agenda.	Regularly
7.2 Each ministry will establish a single donor coordination structure replacing the steering committees for individual projects where possible	30 September 2007
7.3 The Government in consultations with concerned IFIs will establish single sector PIUs in the education sector, and the roads, rural water supply, and irrigation sub-sectors	30 September 2007
7.4 MOF will issue a regulation to establish clear procedures for determining individual PIU staff remuneration rate.	30 September 2007
8.1 IFIs will continue to decentralize portfolio administration to timely identify and resolve the project implementation issues, and decrease response time	By end-2007
8.2 ADB and IDB will consider possibilities for EA to submit financial and procurement documents in electronic form to expedite their processing and reduce the mailing costs	By end -2007

**ANNEXES**

## Annex 1: IFIs' Country Portfolio

Table 1: Sectoral Portfolio Distribution by Year and IFI  
(as of 31 December 2006, \$ million)

Sector	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Cumulative
<b>Agriculture, Rural Development &amp; Natural Resources</b>	<b>0.00</b>	<b>0.00</b>	<b>1.66</b>	<b>85.00</b>	<b>11.60</b>	<b>16.00</b>	<b>50.00</b>	<b>61.00</b>	<b>29.40</b>	<b>0.00</b>	<b>0.00</b>	<b>15.10</b>	<b>16.00</b>	<b>7.20</b>	<b>34.00</b>	<b>326.96</b>
ADB	0.00	0.00	0.00	40.00	0.00	0.00	0.00	36.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	77.00
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	1.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.20	0.00	8.86
WB	0.00	0.00	0.00	45.00	11.60	16.00	50.00	25.00	29.40	0.00	0.00	15.10	15.00	0.00	34.00	241.10
<b>Education</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>32.70</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>15.00</b>	<b>15.50</b>	<b>0.00</b>	<b>63.20</b>
ADB	0.00	0.00	0.00	0.00	0.00	32.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.50	0.00	48.20
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.00	0.00	0.00	15.00
<b>Energy</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>73.00</b>	<b>10.08</b>	<b>0.00</b>	<b>0.00</b>	<b>40.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>12.27</b>	<b>0.00</b>	<b>135.35</b>
ADB	0.00	0.00	0.00	0.00	30.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.00
IDB	0.00	0.00	0.00	0.00	8.00	10.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.08
KfW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.27	0.00	12.27
WB	0.00	0.00	0.00	0.00	35.00	0.00	0.00	0.00	40.00	0.00	0.00	0.00	0.00	0.00	0.00	75.00
<b>Banking, Private Sector &amp; Finance</b>	<b>0.00</b>	<b>0.00</b>	<b>68.77</b>	<b>15.00</b>	<b>48.40</b>	<b>15.57</b>	<b>0.00</b>	<b>36.00</b>	<b>0.00</b>	<b>8.59</b>	<b>0.00</b>	<b>0.00</b>	<b>9.00</b>	<b>21.64</b>	<b>5.00</b>	<b>227.97</b>
ADB	0.00	0.00	0.00	0.00	0.00	12.50	0.00	36.00	0.00	0.00	0.00	0.00	0.00	15.50	0.00	64.00
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	8.77	0.00	0.00	3.07	0.00	0.00	0.00	8.59	0.00	0.00	0.00	6.14	0.00	26.57
WB	0.00	0.00	60.00	15.00	48.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.00	0.00	5.00	137.40
<b>Industry &amp; Trade</b>	<b>0.00</b>	<b>0.00</b>	<b>3.07</b>	<b>4.60</b>	<b>2.15</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>15.00</b>	<b>0.00</b>	<b>7.50</b>	<b>0.00</b>	<b>0.00</b>	<b>32.32</b>
ADB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.00	0.00	7.50	0.00	0.00	22.50
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	3.07	4.60	2.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.82
WB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Health, Nutrition &amp; Social Protection</b>	<b>0.00</b>	<b>0.00</b>	<b>17.00</b>	<b>3.72</b>	<b>18.50</b>	<b>3.00</b>	<b>39.57</b>	<b>0.00</b>	<b>6.14</b>	<b>18.77</b>	<b>3.00</b>	<b>24.42</b>	<b>1.30</b>	<b>21.36</b>	<b>16.80</b>	<b>173.58</b>
ADB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	0.00	10.50	1.30	0.00	0.00	12.50
IDB	0.00	0.00	0.00	1.88	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.88
KfW	0.00	0.00	0.00	1.84	0.00	0.00	3.07	0.00	6.14	3.07	3.00	13.92	0.00	6.36	16.80	54.20
WB	0.00	0.00	17.00	0.00	18.50	0.00	36.50	0.00	0.00	15.00	0.00	0.00	0.00	15.00	0.00	102.00
<b>Law, Governance, Economic Managment &amp; Public Sector*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>88.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>35.00</b>	<b>0.00</b>	<b>27.80</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>150.80</b>
ADB	0.00	0.00	0.00	0.00	0.00	44.00	0.00	0.00	0.00	35.00	0.00	0.00	0.00	0.00	0.00	79.00
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WB	0.00	0.00	0.00	0.00	0.00	44.00	0.00	0.00	0.00	0.00	0.00	27.80	0.00	0.00	0.00	71.80
<b>Transport, Communications, Infrastructure</b>	<b>0.00</b>	<b>0.00</b>	<b>18.00</b>	<b>0.00</b>	<b>50.00</b>	<b>0.00</b>	<b>60.00</b>	<b>0.00</b>	<b>45.65</b>	<b>55.00</b>	<b>0.00</b>	<b>0.00</b>	<b>47.80</b>	<b>0.00</b>	<b>0.00</b>	<b>276.45</b>
ADB	0.00	0.00	0.00	0.00	50.00	0.00	50.00	0.00	5.00	40.00	0.00	0.00	32.80	0.00	0.00	177.80
IDB	0.00	0.00	0.00	0.00	0.00	0.00	10.00	0.00	18.65	0.00	0.00	0.00	0.00	0.00	0.00	28.65
KfW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WB	0.00	0.00	18.00	0.00	0.00	0.00	0.00	0.00	22.00	15.00	0.00	0.00	15.00	0.00	0.00	70.00
<b>Multisector</b>	<b>0.00</b>	<b>60.00</b>	<b>40.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>15.00</b>	<b>0.00</b>	<b>36.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5.00</b>	<b>1.00</b>	<b>0.00</b>	<b>4.00</b>	<b>161.00</b>
ADB	0.00	0.00	40.00	0.00	0.00	0.00	15.00	0.00	36.00	0.00	0.00	5.00	1.00	0.00	0.00	97.00
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WB	0.00	60.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	64.00
<b>Total</b>	<b>0.00</b>	<b>60.00</b>	<b>148.50</b>	<b>108.32</b>	<b>203.65</b>	<b>165.35</b>	<b>164.57</b>	<b>97.00</b>	<b>157.19</b>	<b>117.36</b>	<b>18.00</b>	<b>72.32</b>	<b>97.60</b>	<b>77.97</b>	<b>59.80</b>	<b>1,547.62</b>
ADB	0.00	0.00	40.00	40.00	80.00	89.20	65.00	72.00	41.00	75.70	15.00	15.50	43.60	31.00	0.00	608.00
IDB	0.00	0.00	0.00	1.88	8.00	13.08	10.00	0.00	18.65	0.00	0.00	0.00	0.00	0.00	0.00	51.61
KfW	0.00	0.00	13.50	6.44	2.15	3.07	3.07	0.00	6.14	11.66	3.00	13.92	0.00	31.97	16.80	111.71
WB	0.00	60.00	95.00	60.00	113.50	60.00	86.50	25.00	91.40	30.00	0.00	42.90	54.00	15.00	43.00	776.30

\* ADB's Law, Economic Management &amp; Public Policy

**Table 2: Cumulative Sectoral Portfolio Distribution by Year and IFI**  
(as of 31 December 2006, \$ million)

Sector	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>Agriculture, Rural Development &amp; Natural Resources</b>	<b>0.00</b>	<b>0.00</b>	<b>1.66</b>	<b>86.66</b>	<b>98.26</b>	<b>114.26</b>	<b>164.26</b>	<b>225.26</b>	<b>254.66</b>	<b>254.66</b>	<b>254.66</b>	<b>269.76</b>	<b>285.76</b>	<b>292.96</b>	<b>326.96</b>
ADB	0.00	0.00	0.00	40.00	40.00	40.00	40.00	76.00	76.00	76.00	76.00	76.00	77.00	77.00	77.00
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	8.86	8.86
WB	0.00	0.00	0.00	45.00	56.60	72.60	122.60	147.60	177.00	177.00	177.00	192.10	207.10	207.10	241.10
<b>Education</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>32.70</b>	<b>32.70</b>	<b>32.70</b>	<b>32.70</b>	<b>32.70</b>	<b>32.70</b>	<b>32.70</b>	<b>47.70</b>	<b>63.20</b>	<b>63.20</b>
ADB	0.00	0.00	0.00	0.00	0.00	32.70	32.70	32.70	32.70	32.70	32.70	32.70	32.70	48.20	48.20
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.00	15.00	15.00
<b>Energy</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>73.00</b>	<b>83.08</b>	<b>83.08</b>	<b>83.08</b>	<b>123.08</b>	<b>123.08</b>	<b>123.08</b>	<b>123.08</b>	<b>123.08</b>	<b>135.35</b>	<b>135.35</b>
ADB	0.00	0.00	0.00	0.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00
IDB	0.00	0.00	0.00	0.00	8.00	18.08	18.08	18.08	18.08	18.08	18.08	18.08	18.08	18.08	18.08
KfW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.27	12.27
WB	0.00	0.00	0.00	0.00	35.00	35.00	35.00	35.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
<b>Banking, Private Sector &amp; Finance</b>	<b>0.00</b>	<b>0.00</b>	<b>68.77</b>	<b>83.77</b>	<b>132.17</b>	<b>147.74</b>	<b>147.74</b>	<b>183.74</b>	<b>183.74</b>	<b>192.33</b>	<b>192.33</b>	<b>192.33</b>	<b>201.33</b>	<b>222.97</b>	<b>227.97</b>
ADB	0.00	0.00	0.00	0.00	0.00	12.50	12.50	48.50	48.50	48.50	48.50	48.50	48.50	64.00	64.00
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	8.77	8.77	8.77	11.84	11.84	11.84	11.84	20.43	20.43	20.43	20.43	26.57	26.57
WB	0.00	0.00	60.00	75.00	123.40	123.40	123.40	123.40	123.40	123.40	123.40	123.40	132.40	132.40	137.40
<b>Industry &amp; Trade</b>	<b>0.00</b>	<b>0.00</b>	<b>3.07</b>	<b>7.67</b>	<b>9.82</b>	<b>9.82</b>	<b>9.82</b>	<b>9.82</b>	<b>9.82</b>	<b>9.82</b>	<b>24.82</b>	<b>24.82</b>	<b>32.32</b>	<b>32.32</b>	<b>32.32</b>
ADB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.00	15.00	22.50	22.50	22.50
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	3.07	7.67	9.82	9.82	9.82	9.82	9.82	9.82	9.82	9.82	9.82	9.82	9.82
WB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Health, Nutrition &amp; Social Protection</b>	<b>0.00</b>	<b>0.00</b>	<b>17.00</b>	<b>20.72</b>	<b>39.22</b>	<b>42.22</b>	<b>81.79</b>	<b>81.79</b>	<b>87.93</b>	<b>106.69</b>	<b>109.69</b>	<b>134.12</b>	<b>135.42</b>	<b>156.78</b>	<b>173.58</b>
ADB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	0.70	11.20	12.50	12.50	12.50
IDB	0.00	0.00	0.00	1.88	1.88	4.88	4.88	4.88	4.88	4.88	4.88	4.88	4.88	4.88	4.88
KfW	0.00	0.00	0.00	1.84	1.84	1.84	4.91	4.91	11.05	14.11	17.11	31.04	31.04	37.40	54.20
WB	0.00	0.00	17.00	17.00	35.50	35.50	72.00	72.00	72.00	87.00	87.00	87.00	87.00	102.00	102.00
<b>Law, Governance, Economic Managment &amp; Public Sector*</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>88.00</b>	<b>88.00</b>	<b>88.00</b>	<b>88.00</b>	<b>123.00</b>	<b>123.00</b>	<b>150.80</b>	<b>150.80</b>	<b>150.80</b>	<b>150.80</b>
ADB	0.00	0.00	0.00	0.00	0.00	44.00	44.00	44.00	44.00	79.00	79.00	79.00	79.00	79.00	79.00
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WB	0.00	0.00	0.00	0.00	0.00	44.00	44.00	44.00	44.00	44.00	44.00	71.80	71.80	71.80	71.80
<b>Transport, Communications, Infrastructure</b>	<b>0.00</b>	<b>0.00</b>	<b>18.00</b>	<b>18.00</b>	<b>68.00</b>	<b>68.00</b>	<b>128.00</b>	<b>128.00</b>	<b>173.65</b>	<b>228.65</b>	<b>228.65</b>	<b>228.65</b>	<b>276.45</b>	<b>276.45</b>	<b>276.45</b>
ADB	0.00	0.00	0.00	0.00	50.00	50.00	100.00	100.00	105.00	145.00	145.00	145.00	177.80	177.80	177.80
IDB	0.00	0.00	0.00	0.00	0.00	0.00	10.00	10.00	28.65	28.65	28.65	28.65	28.65	28.65	28.65
KfW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WB	0.00	0.00	18.00	18.00	18.00	18.00	18.00	18.00	40.00	55.00	55.00	55.00	70.00	70.00	70.00
<b>Multisector</b>	<b>0.00</b>	<b>60.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>115.00</b>	<b>115.00</b>	<b>151.00</b>	<b>151.00</b>	<b>151.00</b>	<b>156.00</b>	<b>157.00</b>	<b>157.00</b>	<b>161.00</b>
ADB	0.00	0.00	40.00	40.00	40.00	40.00	55.00	55.00	91.00	91.00	91.00	96.00	97.00	97.00	97.00
IDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KfW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WB	0.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	64.00
<b>Total</b>	<b>0.00</b>	<b>60.00</b>	<b>208.50</b>	<b>316.82</b>	<b>520.47</b>	<b>685.82</b>	<b>850.39</b>	<b>947.39</b>	<b>1,104.57</b>	<b>1,221.93</b>	<b>1,239.93</b>	<b>1,312.26</b>	<b>1,409.86</b>	<b>1,487.82</b>	<b>1,547.62</b>
ADB	0.00	0.00	40.00	80.00	160.00	249.20	314.20	386.20	427.20	502.90	517.90	533.40	577.00	608.00	608.00
IDB	0.00	0.00	0.00	1.88	9.88	22.96	32.96	32.96	51.61	51.61	51.61	51.61	51.61	51.61	51.61
KfW	0.00	0.00	13.50	19.94	22.09	25.16	28.23	28.23	34.36	46.02	49.02	62.95	62.95	94.91	111.71
WB	0.00	60.00	155.00	215.00	328.50	388.50	475.00	500.00	591.40	621.40	621.40	664.30	718.30	733.30	776.30

\* ADB's Law, Economic Management & Public Policy

**Table 3: Sectoral Portfolio Distribution by Year and IFI**  
(as of 31 December 2006, number)

Sector	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Cumulat
<b>Agriculture, Rural Development &amp; Natural Resources</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>18</b>
ADB	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	2
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KfW	0	0	1	0	0	0	0	0	0	0	0	0	0	1	0	2
WB	0	0	0	1	1	1	2	2	2	0	0	1	2	0	2	14
<b>Education</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>4</b>
ADB	0	0	0	0	0	2	0	0	0	0	0	0	0	1	0	3
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
WB	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1
<b>Energy</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>7</b>
ADB	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1
IDB	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	2
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1
WB	0	0	0	0	1	0	0	0	2	0	0	0	0	0	0	3
<b>Banking, Private Sector &amp; Finance</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>12</b>
ADB	0	0	0	0	0	1	0	2	0	0	0	0	0	1	0	4
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KfW	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	2
WB	0	0	1	1	2	0	0	0	0	0	0	0	1	0	1	6
<b>Industry &amp; Trade</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>10</b>
ADB	0	0	0	0	0	0	0	0	0	0	1	0	1	0	0	2
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KfW	0	0	2	1	1	1	0	0	0	1	0	0	0	0	0	6
WB	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	2
<b>Health, Nutrition &amp; Social Protection</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>17</b>
ADB	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1
IDB	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	2
KfW	0	0	0	1	0	0	1	0	0	1	1	2	0	2	1	9
WB	0	0	1	0	1	0	1	0	0	1	0	0	0	1	0	5
<b>Law, Governance, Economic Managment &amp; Public Sector*</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>
ADB	0	0	0	0	0	2	0	0	0	1	0	0	0	0	0	3
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
WB	0	0	0	0	0	1	0	0	0	0	0	2	0	0	0	3
<b>Transport, Communications, Infrastructure</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>12</b>
ADB	0	0	0	0	1	0	1	0	1	1	0	0	1	0	0	5
IDB	0	0	0	0	0	0	1	0	2	0	0	0	0	0	0	3
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
WB	0	0	1	0	0	0	0	0	1	1	0	0	1	0	0	4
<b>Multisector</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>7</b>
ADB	0	0	1	0	0	0	2	0	1	0	0	1	0	0	0	5
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
WB	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1	2
<b>Total</b>	<b>0</b>	<b>1</b>	<b>8</b>	<b>7</b>	<b>9</b>	<b>10</b>	<b>8</b>	<b>5</b>	<b>9</b>	<b>7</b>	<b>2</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>5</b>	<b>93</b>
ADB	0	0	1	1	2	5	3	3	2	2	1	2	2	2	0	26
IDB	0	0	0	1	1	2	1	0	2	0	0	0	0	0	0	7
KfW	0	0	3	2	1	1	1	0	0	3	1	2	0	5	1	20
WB	0	1	4	3	5	2	3	2	5	2	0	3	5	1	4	40

\* ADB's Law, Economic Management & Public Policy

**Table 4: Sectoral Distribution of TAs by Year and IFI**  
(as of 31 December 2006, \$ million)

Sector	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>Agriculture, Rural Development &amp; Natural Resources</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.850</b>	<b>4.278</b>	<b>0.000</b>	<b>2.490</b>	<b>2.922</b>	<b>1.743</b>	<b>2.711</b>	<b>0.000</b>	<b>0.490</b>	<b>1.627</b>	<b>4.490</b>	<b>7.622</b>	<b>0.000</b>
ADB	0.000	0.000	0.000	0.600	3.651	0.000	0.598	1.370	0.800	1.235	0.000	0.000	0.000	2.230	0.000	0.000
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.520	0.000
WB	0.000	0.000	0.000	0.250	0.627	0.000	1.892	1.552	0.943	1.476	0.000	0.490	1.627	2.260	5.102	0.000
<b>Education</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.900</b>	<b>0.000</b>	<b>0.930</b>	<b>0.600</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.174</b>	<b>0.600</b>	<b>0.000</b>	<b>0.658</b>	<b>0.000</b>
ADB	0.000	0.000	0.000	0.000	0.900	0.000	0.930	0.600	0.000	0.000	0.000	0.000	0.600	0.000	0.300	0.000
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.174	0.000	0.000	0.000	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.358	0.000
<b>Energy</b>	<b>0.000</b>	<b>0.000</b>	<b>0.250</b>	<b>0.000</b>	<b>0.000</b>	<b>1.090</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.489</b>	<b>1.213</b>	<b>5.262</b>	<b>0.000</b>	<b>0.000</b>	<b>0.240</b>	<b>0.000</b>
ADB	0.000	0.000	0.000	0.000	0.000	0.310	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
IDB	0.000	0.000	0.250	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.262	0.000	0.000	0.000	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.240	0.000
WB	0.000	0.000	0.000	0.000	0.000	0.780	0.000	0.000	0.000	1.489	1.213	5.000	0.000	0.000	0.000	0.000
<b>Banking, Private Sector &amp; Finance</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.600</b>	<b>0.000</b>	<b>0.000</b>	<b>0.680</b>	<b>0.000</b>	<b>0.600</b>	<b>0.000</b>	<b>0.614</b>	<b>1.850</b>	<b>0.000</b>	<b>0.000</b>	<b>0.960</b>	<b>0.000</b>
ADB	0.000	0.000	0.000	0.600	0.000	0.000	0.680	0.000	0.600	0.000	0.000	1.150	0.000	0.000	0.600	0.000
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.614	0.000	0.000	0.000	0.360	0.000
WB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.700	0.000	0.000	0.000	0.000
<b>Industry &amp; Trade</b>	<b>0.020</b>	<b>1.445</b>	<b>0.000</b>	<b>1.629</b>	<b>0.600</b>	<b>0.000</b>	<b>0.480</b>	<b>1.600</b>	<b>0.492</b>	<b>1.711</b>	<b>0.000</b>	<b>0.500</b>	<b>1.650</b>	<b>0.500</b>	<b>1.950</b>	<b>0.000</b>
ADB	0.000	0.000	0.000	0.000	0.600	0.000	0.000	0.000	0.000	0.000	0.000	0.500	0.000	0.500	0.000	0.000
IDB	0.020	1.445	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.330	0.000	0.000	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.491	0.000	0.000	1.320	0.000	1.200	0.000
WB	0.000	0.000	0.000	1.629	0.000	0.000	0.480	1.600	0.492	1.220	0.000	0.000	0.000	0.000	0.750	0.000
<b>Health, Nutrition &amp; Social Protection</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>5.000</b>	<b>7.863</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.700</b>	<b>0.000</b>	<b>0.000</b>	<b>0.500</b>	<b>0.500</b>	<b>0.000</b>	<b>2.800</b>
ADB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.700	0.000	0.000	0.500	0.500	0.000	0.400
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.400
WB	0.000	0.000	0.000	0.000	5.000	7.863	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Law, Governance, Economic Managment &amp; Public Sector*</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.180</b>	<b>0.850</b>	<b>1.588</b>	<b>1.772</b>	<b>0.114</b>	<b>0.923</b>	<b>1.618</b>	<b>2.279</b>	<b>1.916</b>	<b>2.043</b>	<b>0.000</b>	<b>1.742</b>	<b>0.300</b>
ADB	0.000	0.000	0.000	0.080	0.850	1.200	0.800	0.114	0.923	1.300	1.550	1.081	0.000	0.000	0.900	0.300
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.247	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WB	0.000	0.000	0.000	0.100	0.000	0.388	0.972	0.000	0.000	0.318	0.729	0.835	2.043	0.000	0.595	0.000
<b>Transport, Communications, Infrastructure</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.600</b>	<b>0.298</b>	<b>0.800</b>	<b>0.880</b>	<b>1.254</b>	<b>0.600</b>	<b>0.440</b>	<b>0.650</b>	<b>0.000</b>	<b>0.000</b>	<b>1.016</b>	<b>0.000</b>	<b>0.000</b>
ADB	0.000	0.000	0.000	0.600	0.000	0.800	0.600	0.600	0.600	0.440	0.650	0.000	0.000	0.800	0.000	0.000
IDB	0.000	0.000	0.000	0.000	0.298	0.000	0.280	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.654	0.000	0.000	0.000	0.000	0.000	0.216	0.000	0.000
<b>Multisector</b>	<b>0.000</b>	<b>0.000</b>	<b>5.863</b>	<b>1.396</b>	<b>1.227</b>	<b>0.000</b>	<b>0.000</b>	<b>1.234</b>	<b>1.227</b>	<b>0.650</b>	<b>0.000</b>	<b>1.963</b>	<b>0.000</b>	<b>1.841</b>	<b>1.557</b>	<b>0.255</b>
ADB	0.000	0.000	0.000	0.476	0.000	0.000	0.000	1.234	0.000	0.650	0.000	0.000	0.000	0.000	0.000	0.000
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.255
KfW	0.000	0.000	0.920	0.920	1.227	0.000	0.000	0.000	1.227	0.000	0.000	1.963	0.000	1.841	0.000	0.000
WB	0.000	0.000	4.943	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.557	0.000
<b>Total</b>	<b>0.020</b>	<b>1.445</b>	<b>6.113</b>	<b>5.255</b>	<b>13.153</b>	<b>11.341</b>	<b>7.232</b>	<b>7.724</b>	<b>5.585</b>	<b>9.319</b>	<b>4.756</b>	<b>12.155</b>	<b>6.420</b>	<b>8.347</b>	<b>14.729</b>	<b>3.355</b>
ADB	0.000	0.000	0.000	2.356	6.001	2.310	3.608	3.918	2.923	4.325	2.200	2.731	1.100	4.030	1.800	0.700
IDB	0.020	1.445	0.250	0.000	0.298	0.000	0.280	0.000	0.000	0.000	0.000	0.436	0.330	0.000	0.247	0.255
KfW	0.000	0.000	0.920	0.920	1.227	0.000	0.000	0.000	1.227	0.491	0.614	1.963	1.320	1.841	4.320	2.400
WB	0.000	0.000	4.943	1.979	5.627	9.031	3.344	3.806	1.435	4.503	1.942	7.025	3.670	2.476	8.362	0.000

\* ADB's Law, Economic Management & Public Policy

**Table 5: Cumulative Sectoral Distribution of TAs by Year and IFI**  
(as of 31 December 2006, \$ million)

Sector	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Agriculture, Rural Development &amp; Natural Resources</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.850</b>	<b>5.128</b>	<b>5.128</b>	<b>7.618</b>	<b>10.540</b>	<b>12.283</b>	<b>14.994</b>	<b>14.994</b>	<b>15.484</b>	<b>17.111</b>	<b>21.601</b>	<b>29.103</b>
ADB	0.000	0.000	0.000	0.600	4.251	4.251	4.849	6.219	7.019	8.254	8.254	8.254	8.254	10.484	10.484
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.400
WB	0.000	0.000	0.000	0.250	0.877	0.877	2.769	4.321	5.264	6.740	6.740	7.230	8.857	11.117	16.219
<b>Education</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.900</b>	<b>0.900</b>	<b>1.830</b>	<b>2.430</b>	<b>2.430</b>	<b>2.430</b>	<b>2.430</b>	<b>2.604</b>	<b>3.204</b>	<b>3.204</b>	<b>3.862</b>
ADB	0.000	0.000	0.000	0.000	0.900	0.900	1.830	2.430	2.430	2.430	2.430	2.430	3.030	3.030	3.330
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.174	0.174	0.174	0.174
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.358
<b>Energy</b>	<b>0.000</b>	<b>0.000</b>	<b>0.250</b>	<b>0.250</b>	<b>0.250</b>	<b>1.340</b>	<b>1.340</b>	<b>1.340</b>	<b>1.340</b>	<b>2.829</b>	<b>4.042</b>	<b>9.304</b>	<b>9.304</b>	<b>9.304</b>	<b>9.544</b>
ADB	0.000	0.000	0.000	0.000	0.000	0.310	0.310	0.310	0.310	0.310	0.310	0.310	0.310	0.310	0.310
IDB	0.000	0.000	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.512	0.512	0.512	0.512
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.240
WB	0.000	0.000	0.000	0.000	0.000	0.780	0.780	0.780	0.780	2.269	3.482	8.482	8.482	8.482	8.482
<b>Banking, Private Sector &amp; Finance</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.600</b>	<b>0.600</b>	<b>0.600</b>	<b>1.280</b>	<b>1.280</b>	<b>1.880</b>	<b>1.880</b>	<b>2.494</b>	<b>4.344</b>	<b>4.344</b>	<b>4.344</b>	<b>5.304</b>
ADB	0.000	0.000	0.000	0.600	0.600	0.600	1.280	1.280	1.880	1.880	1.880	3.030	3.030	3.030	3.630
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.614	0.614	0.614	0.614	0.974
WB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.700	0.700	0.700	0.700
<b>Industry &amp; Trade</b>	<b>0.020</b>	<b>1.465</b>	<b>1.465</b>	<b>3.094</b>	<b>3.694</b>	<b>3.694</b>	<b>4.174</b>	<b>5.774</b>	<b>6.266</b>	<b>7.977</b>	<b>7.977</b>	<b>8.477</b>	<b>10.127</b>	<b>10.627</b>	<b>12.577</b>
ADB	0.000	0.000	0.000	0.000	0.600	0.600	0.600	0.600	0.600	0.600	0.600	1.100	1.100	1.600	1.600
IDB	0.020	1.465	1.465	1.465	1.465	1.465	1.465	1.465	1.465	1.465	1.465	1.465	1.795	1.795	1.795
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.491	0.491	0.491	1.811	1.811	3.011
WB	0.000	0.000	0.000	1.629	1.629	1.629	2.109	3.709	4.201	5.421	5.421	5.421	5.421	5.421	6.171
<b>Health, Nutrition &amp; Social Protection</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>5.000</b>	<b>12.863</b>	<b>12.863</b>	<b>12.863</b>	<b>12.863</b>	<b>13.563</b>	<b>13.563</b>	<b>13.563</b>	<b>14.063</b>	<b>14.563</b>	<b>14.563</b>
ADB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.700	0.700	0.700	1.200	1.700	1.700
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WB	0.000	0.000	0.000	0.000	5.000	12.863	12.863	12.863	12.863	12.863	12.863	12.863	12.863	12.863	12.863
<b>Law, Governance, Economic Management &amp; Public Sector*</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.180</b>	<b>1.030</b>	<b>2.618</b>	<b>4.390</b>	<b>4.504</b>	<b>5.427</b>	<b>7.045</b>	<b>9.324</b>	<b>11.240</b>	<b>13.283</b>	<b>13.283</b>	<b>15.025</b>
ADB	0.000	0.000	0.000	0.080	0.930	2.130	2.930	3.044	3.967	5.267	6.817	7.898	7.898	7.898	8.798
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.247
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WB	0.000	0.000	0.000	0.100	0.100	0.488	1.460	1.460	1.460	1.778	2.507	3.342	5.385	5.385	5.980
<b>Transport, Communications, Infrastructure</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.600</b>	<b>0.898</b>	<b>1.698</b>	<b>2.578</b>	<b>3.832</b>	<b>4.432</b>	<b>4.872</b>	<b>5.522</b>	<b>5.522</b>	<b>5.522</b>	<b>6.538</b>	<b>6.538</b>
ADB	0.000	0.000	0.000	0.600	0.600	1.400	2.000	2.600	3.200	3.640	4.290	4.290	4.290	5.090	5.090
IDB	0.000	0.000	0.000	0.000	0.298	0.298	0.578	0.578	0.578	0.578	0.578	0.578	0.578	0.578	0.578
KfW	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
WB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.654	0.654	0.654	0.654	0.654	0.654	0.870	0.870
<b>Multisector</b>	<b>0.000</b>	<b>0.000</b>	<b>5.863</b>	<b>7.259</b>	<b>8.486</b>	<b>8.486</b>	<b>8.486</b>	<b>9.720</b>	<b>10.947</b>	<b>11.597</b>	<b>11.597</b>	<b>13.953</b>	<b>13.953</b>	<b>15.794</b>	<b>17.351</b>
ADB	0.000	0.000	0.000	0.476	0.476	0.476	0.476	1.710	1.710	2.360	2.360	2.360	2.360	2.360	2.360
IDB	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
KfW	0.000	0.000	0.920	1.840	3.067	3.067	3.067	3.067	4.294	4.294	4.294	6.650	6.650	8.491	8.491
WB	0.000	0.000	4.943	4.943	4.943	4.943	4.943	4.943	4.943	4.943	4.943	4.943	4.943	4.943	6.500
<b>Total</b>	<b>0.020</b>	<b>1.465</b>	<b>7.578</b>	<b>12.833</b>	<b>25.986</b>	<b>37.327</b>	<b>44.559</b>	<b>52.283</b>	<b>57.868</b>	<b>67.187</b>	<b>71.943</b>	<b>84.491</b>	<b>90.911</b>	<b>99.258</b>	<b>113.867</b>
ADB	0.000	0.000	0.000	2.356	8.357	10.667	14.275	18.193	21.116	25.441	27.641	30.372	31.472	35.502	37.302
IDB	0.020	1.465	1.715	1.715	2.013	2.013	2.293	2.293	2.293	2.293	2.293	2.729	3.059	3.059	3.306
KfW	0.000	0.000	0.920	1.840	3.067	3.067	3.067	3.067	4.294	4.785	5.399	7.755	9.075	10.916	15.116
WB	0.000	0.000	4.943	6.922	12.549	21.580	24.924	28.730	30.165	34.668	36.610	43.635	47.305	49.781	58.143

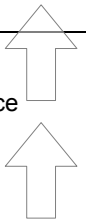

\* ADB's Law, Economic Management & Public Policy

**Table 6: Sectoral Distribution of TAs by Year and IFI**  
(as of 31 December 2006, number)

Sector	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Cumulative	%	
<b>Agriculture, Rural Development &amp; Natural Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>6</b>	<b>0</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>6</b>	<b>3</b>	<b>0</b>	<b>36</b>	<b>24.3%</b>	
ADB	0	0	0	1	4	0	1	2	1	2	0	0	0	4	0	0	15	ADB	41.7
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	IDB	0.0
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	KfW	2.8
WB	0	0	0	1	2	0	4	2	2	2	0	1	2	2	2	0	20	WB	55.6
<b>Education</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>7</b>	<b>4.7%</b>	
ADB	0	0	0	0	1	0	1	1	0	0	0	0	1	0	1	0	5	ADB	71.4
IDB	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1	IDB	14.3
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	KfW	0.0
WB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	WB	14.3
<b>Energy</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>9</b>	<b>6.1%</b>	
ADB	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	ADB	11.1
IDB	0	0	1	0	0	0	0	0	0	0	0	1	0	0	0	0	2	IDB	22.2
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	KfW	11.1
WB	0	0	0	0	0	2	0	0	0	1	1	1	0	0	0	0	5	WB	55.6
<b>Banking, Private Sector &amp; Finance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>9</b>	<b>6.1%</b>	
ADB	0	0	0	1	0	0	1	0	1	0	0	2	0	0	1	0	6	ADB	66.7
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	IDB	0.0
KfW	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	2	KfW	22.2
WB	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1	WB	11.1
<b>Industry &amp; Trade</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>19</b>	<b>12.8%</b>	
ADB	0	0	0	0	1	0	0	0	0	0	0	1	0	1	0	0	3	ADB	15.8
IDB	1	2	0	0	0	0	0	0	0	0	0	0	2	0	0	0	5	IDB	26.3
KfW	0	0	0	0	0	0	0	0	0	1	0	0	2	0	1	0	4	KfW	21.1
WB	0	0	0	1	0	0	1	1	2	1	0	0	0	0	1	0	7	WB	36.8
<b>Health, Nutrition &amp; Social Protection</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>9</b>	<b>6.1%</b>	
ADB	0	0	0	0	0	0	0	0	0	1	0	0	1	1	0	1	4	ADB	44.4
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	IDB	0.0
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	KfW	11.1
WB	0	0	0	0	1	3	0	0	0	0	0	0	0	0	0	0	4	WB	44.4
<b>Law, Governance, Economic Managment &amp; Public Sector*</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>33</b>	<b>22.3%</b>	
ADB	0	0	0	1	1	2	1	1	3	2	3	2	0	0	2	1	19	ADB	57.6
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	IDB	3.0
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	KfW	0.0
WB	0	0	0	1	0	1	3	0	0	1	1	2	2	0	2	0	13	WB	39.4
<b>Transport, Communications, Infrastructure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>8.1%</b>	
ADB	0	0	0	1	0	1	1	1	1	1	1	0	0	1	0	0	8	ADB	66.7
IDB	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	2	IDB	16.7
KfW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	KfW	0.0
WB	0	0	0	0	0	0	0	1	0	0	0	0	0	1	0	0	2	WB	16.7
<b>Multisector</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>14</b>	<b>9.5%</b>	
ADB	0	0	0	1	0	0	0	2	0	1	0	0	0	0	0	0	4	ADB	28.6
IDB	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	IDB	7.1
KfW	0	0	1	1	1	0	0	0	1	0	0	1	0	1	0	0	6	KfW	42.9
WB	0	0	1	0	0	0	0	0	0	0	0	0	0	0	2	0	3	WB	21.4
<b>Total</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>9</b>	<b>12</b>	<b>10</b>	<b>14</b>	<b>11</b>	<b>11</b>	<b>13</b>	<b>7</b>	<b>13</b>	<b>10</b>	<b>11</b>	<b>17</b>	<b>4</b>	<b>148</b>	<b>100.0%</b>	
ADB	0	0	0	5	7	4	5	7	6	7	4	5	2	7	4	2	65	ADB	43.9
IDB	1	2	1	0	1	0	1	0	0	0	0	2	2	0	1	1	12	IDB	8.1
KfW	0	0	1	1	1	0	0	0	1	1	1	1	2	1	4	1	15	KfW	10.1
WB	0	0	1	3	3	6	8	4	4	5	2	5	4	3	8	0	56	WB	37.8

\* ADB's Law, Economic Management & Public Policy

## Annex 2: Status of 2006 Joint Portfolio Management Framework

Design Summary	Performance		Data sources/ Reporting Mechanisms	Risks/Assumptions
	Targets/Indicators	Status as of 31 Dec 2006		
<p><b>Impact</b></p> <p>The ongoing assistance effectively contributes to the country development through improved sector policies, institutions, infrastructure and services</p>	<ul style="list-style-type: none"> <li>Sector performance indicators</li> <li>2006 sector development targets</li> </ul>	<ul style="list-style-type: none"> <li>Sector strategies prepared/are being prepared for health, education, roads, agriculture, banking, private sector and environment. These strategies do not contain targeted indicators for 2006 and do not allow for assessment of sector performance.</li> <li>Pilot external assistance results matrix for roads, health, education and irrigation sectors completed.</li> </ul>	<ul style="list-style-type: none"> <li>MOEF annual report</li> <li>National statistics</li> <li>IFIs and EAs project completion reports</li> <li>Annual sector development reports</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Political and economic situation is stable</li> <li>IFIs assistance is aligned with the Government development strategies</li> </ul> <p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Clear sector strategies with well-defined and easily monitored sector development indicators mostly do not exist or do not match the resources available</li> </ul>
<p><b>Outcomes</b></p> <p>Portfolio performance improved</p> 	<ul style="list-style-type: none"> <li>No of projects at risk decreased from 3 to 1</li> <li>28 WB and ADB projects have DO and IP rated as satisfactory or higher</li> </ul>	<p><b>ADB</b></p> <ul style="list-style-type: none"> <li>1 project remains at risk: Loan 1775: Almaty-Bishkek Regional Road Rehabilitation</li> <li>9 of 10 ADB projects (90% of total portfolio) have DO and IP rated as satisfactory or higher</li> </ul> <p><b>WB:</b></p> <ul style="list-style-type: none"> <li>none of 19 ongoing projects is at risk, while three operations have moderately satisfactory performance in DO and IP ratings</li> </ul>	<ul style="list-style-type: none"> <li>2007 JCPR</li> <li>WB and ADB project performance monitoring systems</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Project designs are adequate and provide with sufficient timeframe for institutional and policy changes required</li> <li>Sector policy actions are timely and effectively implemented</li> </ul>
<p><b>Outputs</b></p> <p>1. <b>Sector policy reforms</b>, institutional capacity strengthening and legal changes agreed under the current portfolio are fully implemented.</p> 	<ul style="list-style-type: none"> <li>All agreed policy actions due implemented</li> <li>At least 80% of institutions established are sustainable<sup>27</sup></li> </ul>	<ul style="list-style-type: none"> <li>EAs did not submit the list of sector policy actions with donors under individual projects and their status</li> <li>(i) the sustainability ratio<sup>28</sup> 80 CDWUUs established under ADB-funded rural water supply project grew from 14% in July 2006 to 37% by end-2006, (ii) of 169 CDWUUs established under similar WB-funded projects reached 80%; (iii) of 440 WUAs, established under various irrigation related projects 80% are now found to be sustainable; (iv) of total 320 credit unions reportedly only 60-65 % function on sustainable basis.</li> </ul>	<ul style="list-style-type: none"> <li>The EAs reports to JCPR</li> <li>IFIs review missions reports</li> <li>2007 national budget</li> <li>MTBF update</li> <li>IFI's post completion audit reports</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>Proposed policy changes and their timeframes are feasible</li> </ul> <p><b>Risks</b></p> <ul style="list-style-type: none"> <li>State budget may not be sufficient to accommodate the new O&amp;M costs</li> </ul>
<p>2. The Government <b>portfolio monitoring</b> improved</p>	<p>All PPMS systems in place by due date in all ongoing projects</p>	<p><b>ADB</b></p> <ul style="list-style-type: none"> <li>5 out of 6 PPMS systems due are in place. Establishment of 1 is pending (L1742: CBISSP), 1 is not required (L2224) and 3 are not yet due .</li> </ul> <p><b>WB:</b></p> <ul style="list-style-type: none"> <li>all 19 projects have adequate PPMS systems</li> </ul>	<p>EA report to 2007 JCPR</p>	<p><b>Assumptions</b></p> <p>Project design provide with adequate resources to develop and implement the PM&amp;ES</p>

<sup>27</sup> Sustainability here means that the tariffs/fees/contribution collection matches the operational needs to eliminate the relevant governmental support/subsidies  
<sup>28</sup> CDWUUs and WUAs sustainability is assessed against various factors, of which the tariffs collection rate is the most important.

<p>3. <b>Physical implementation</b> is efficient</p>	<ul style="list-style-type: none"> <li>• 2 ADB, 1 IDB and 4 WB funded projects closed by due dates</li> <li>• 4 IDB-funded TAs closed by due dates</li> </ul>	<p><b>ADB:</b></p> <ul style="list-style-type: none"> <li>• 1 of 2 loans was extended Loan 1775: Almaty-Bishkek Regional Road Rehabilitation due to inadequate capacity of local contractor.</li> </ul> <p><b>IDB</b></p> <ul style="list-style-type: none"> <li>• IDB project was extended</li> <li>• 2 of 4 TA were cancelled.</li> </ul> <p><b>WB:</b></p> <p>2 of 4 are closed by due date and 2 extended due to technical reasons</p>	<p>EA report to 2007 JCPR</p>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Unstable economic environment including price escalations</li> <li>• Low capacity of local contractors</li> </ul>
<p>4. <b>Disbursements</b> are better planned and expedited</p>	<ul style="list-style-type: none"> <li>• 2006 disbursement targets are met</li> <li>• disbursement ratio (excluding program loans) <math>\geq</math> 20%</li> <li>• Arrears to contractors = 0 by 31 December 2006</li> </ul>	<p><b>ADB</b></p> <ul style="list-style-type: none"> <li>• Disbursements were \$42.8 mln against \$38.8 mln projected</li> <li>• Disbursement ratio is 32.6%</li> <li>• No arrears to contractors were reported</li> </ul> <p><b>WB:</b></p> <ul style="list-style-type: none"> <li>• 95% of planned amount is disbursed- \$38.7mln against planned \$40.8 mln</li> <li>• Disbursement ratio is 27.5</li> <li>• No arrears to contractors were reported</li> </ul>	<ul style="list-style-type: none"> <li>• 2007 JCPRs</li> <li>• MOEF's reports</li> <li>• IFI Missions' reports</li> <li>• EAs' progress reports to IFIs</li> <li>• 2006 midterm budget update</li> </ul>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• 2006 PIP limit does not match disbursement requirements</li> <li>• IMF may disagree the proposed increase of 2006 PIP ceiling</li> </ul>
<p>5. <b>Procurement</b> is executed timely and effectively</p>	<ul style="list-style-type: none"> <li>• 2006 contract award targets are consistent with project implementation schedules and fully met</li> <li>• Contract award ratio <math>\geq</math> 20%</li> </ul>	<p><b>ADB</b></p> <ul style="list-style-type: none"> <li>• Contracts awards were for \$36.9 against \$46.0 mln projected (the shortfall is due delay in implementation of L2106 and L2113).</li> <li>• Contract award ratio is 35.4%</li> </ul>	<ul style="list-style-type: none"> <li>• 2007 JCPRs</li> <li>• MOEF's reports</li> <li>• IFI Missions' reports</li> <li>• EAs' progress reports to IFIs</li> </ul>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>• Interference of high officials into procurement process</li> <li>• Government's low capacity in project implementation and particularly in procurement</li> </ul>
<p>6. <b>Project start-up</b> activities are timely completed</p>	<ul style="list-style-type: none"> <li>• 2 ADB, 2 KfW, 4 WB funded projects scheduled for 2006 effective in due time</li> </ul>	<p><b>ADB:</b></p> <ul style="list-style-type: none"> <li>• 2 projects became effective in due time</li> </ul> <p><b>WB:</b></p> <ul style="list-style-type: none"> <li>• 4 scheduled projects became effective in due time</li> </ul> <p><b>KfW</b></p> <ul style="list-style-type: none"> <li>• 1 project became effective in due time</li> </ul>	<ul style="list-style-type: none"> <li>• Portfolio semiannual review, 2007 JCPR</li> <li>• MOEF's confirmation letters</li> </ul>	<p><b>Risks</b></p> <p>The EAs might be affected by changes in the Government</p>
<p>7. Discrepancies in tax regulations for IFI-financed projects are resolved</p>	<ul style="list-style-type: none"> <li>• By 30 July 2006 the necessary amendments to legal documents are agreed with IFIs</li> </ul>	<p><b>Pending</b></p>	<p>MOEF report to midyear JCPR meeting</p>	<p><b>Assumptions</b></p> <p>The Government takes a proactive role in resolving the inconsistency of domestic tax regulations with international agreements signed with IFIs</p>
<p>8. Interruption of projects by controlling bodies is minimized</p>	<p>By 31 December 2006, the number of CoA inspections not to exceed 1 inspection per PIU a year, and duration not to exceed one month</p>	<p><b>Complied with</b></p>	<p>EAs progress reports to IFIs</p>	<p><b>Risks</b></p> <p>Government will fail to influence the CoA, who reports to the President and Parliament</p>

<p>9. IFIs procedures harmonized and aid coordination improved</p>	<ul style="list-style-type: none"> <li>5 number of harmonized procurement and disbursement documents issued</li> <li>By 31 December 2006 at least 2 joint missions fielded</li> </ul> <p>Minimum 4 single aide coordination committees established at sector level (transport, health, education, water supply, taxation, customs)</p>	<p><b>ADB</b></p> <ul style="list-style-type: none"> <li><b>Complied with.</b> Total 5 procurement documents were harmonized and issued by WB and ADB</li> <li><b>Complied with.</b> Two joint missions were fielded for ADB, WB and DFID funded projects for rural water supply and sanitation .Two joint missions were fielded for WB ,SIDA, SDC, KFW and DFID under health and Social protection project (SWAP). Number of other active donors in health sector joined the mission</li> <li><b>Partially complied with.</b> MAWRPI is creating a coordination council to strengthen donor. coordination. No information is available for other sector ministries. MOH established Strategic Planning and Health Policy Department acting as a single coordination mechanism MOE resumed its Donors Council</li> </ul>	<ul style="list-style-type: none"> <li>IFIs' reports on harmonization activities</li> <li>IFIs' reports on joint missions</li> </ul>	<p><b>Assumptions</b></p> <ul style="list-style-type: none"> <li>IFIs committed the harmonization exercise</li> <li>Government effectively fulfills its role in aid coordination</li> <li>EA assumes full responsibility for donor coordinating at sector level</li> </ul>
<p>10. Portfolio supervision by IFI's strengthened.</p>	<ul style="list-style-type: none"> <li>% of total portfolio administered locally</li> </ul> <p>IFIs maintain average 2 missions a year per project</p>	<p><b>ADB</b></p> <ul style="list-style-type: none"> <li><b>Complied with.</b> 34% of total ADB portfolio are administered locally in 2006 against 29% in 2005</li> </ul> <p><b>WB</b></p> <ul style="list-style-type: none"> <li>10% of total portfolio are task managed locally</li> </ul> <p><b>ADB</b></p> <ul style="list-style-type: none"> <li><b>Not complied with.</b> On average 1.5 review missions were conducted per each project. Low supervision intensity was observed under L2113.</li> </ul> <p><b>WB</b></p> <p><b>Complied with.</b> Two and more missions a year per project</p>	<ul style="list-style-type: none"> <li>JCPR report</li> <li>IFIs missions reports</li> </ul>	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>IFIs may not have sufficient and qualified staff resources</li> </ul> <p>Schedule of individual staff of partner IFIs may not provide for sufficient flexibility</p>

Activities	Milestones	Status
<p><b>Sector policies</b></p> <p>1.1 The line ministries will prepare an inventory of all pending policy and institutional strengthening measures agreed with IFIs for each ongoing project (combined by sector), and develop a time-bound implementation plan, establish regular monitoring and assign clear responsibilities for its implementation, particularly, for the following sectors/sub-sectors: <i>transport, energy, education, healthcare, rural water supply, microfinance, and customs.</i></p> <p>1.2 The EAs and IFIs will jointly review the status of implementation of the sector's policy and institutional changes during semiannual portfolio review.</p> <p>1.3 MOEF will prepare a report on integration of information management system for externally-funded projects<sup>29</sup> into the budgetary process to improve fiscal planning and ensure funding the recurrent expenditures to maintain assets created by projects</p> <p>1.4 MOEF integrates 100% of recurrent costs for assets created under development assistance and MTBF update and 2007 sector budgets</p>	<p>30 July 2006</p> <p>30 July 2006</p> <p>December 2006</p> <p>November 2006 December 2006</p>	<p><b>Pending</b></p> <p>EAs did not submit inventories of policy and institutional strengthening actions agreed for their respective sectors</p> <p><b>Pending</b></p> <p>Health, education, banking, private sector, and micro-finance development strategies have been developed. Roads, agriculture, rural water supply, and irrigation, sector/sub-sector development strategies are being finalized.</p> <p><b>Being complied with</b></p> <p>PIP planning is integrated into budget process</p> <p><b>Being complied with</b></p> <p>Incorporating the recurrent costs of newly created assets represents a part of budget process and is constrained by lack of budgetary resources.</p>
<p><b>Portfolio monitoring</b></p> <p>2.1 MOEF will submit a semiannual report to the IFIs on the status of Portfolio Management Framework, key portfolio performance indicators status, including status of compliance with loan covenants, submission of audit reports,</p>	<p>30 July 2006</p>	<p><b>Pending</b></p> <p>No report was submitted to IFIs and no semi-annual review was conducted. In spite of MOF request sent on 29 August</p>

<sup>29</sup> Developed under the ADB's TA 3996 –KGZ: *Strengthening Capacity in the Government to Manage Externally-Assisted Projects.*

Activities	Milestones	Status
<p>implementation progress, disbursement status, timeliness of release of counterpart funds, and other portfolio performance related issues</p> <p>2.2 MOEF jointly with EAs and IFIs review and ensure that the adequate project performance monitoring and evaluation systems (PPM&amp;ES) in each ongoing project are in place in due time</p>	By respective projects due dates	<p>2006, none of EAs, except for ARIS, reported on the status respective actions.</p> <p><b>Complied with</b>  <b>ADB:</b> 6 of 7 PPMS due are in place, 1 is pending (Loan 1742: Community-Based Infrastructure Services Sector Project )  <b>WB-funded:</b> complied with for the whole portfolio</p>
<p><b>Physical implementation</b></p> <p>3.1 EAs will in consultation with IFIs review pre-qualification requirements for civil work contractors and the contract provisions to ensure quality and timeliness of works, and report the results to MOEF</p> <p><b>Disbursements</b></p> <p>4.1 The Government to re-negotiate with IMF the flexible PIP limits for 2006</p> <p>4.2 MOEF plans, allocates and reallocates available resources, in close consultations with PIUs and the EAs, and inform IFIs on decisions made.</p> <p>4.3 MOTC will review the impact of price escalation factor on all large civil works contracts and plan the project implementation and disbursements accordingly</p> <p>4.4 IFIs maintain average processing time for w/a at ≤ 10 days with individual w/a delay ≤ 2 weeks</p>	<p>30 July 2006</p> <p>30 July 2006</p> <p>regularly</p> <p>30 April 2006</p> <p>Regularly</p>	<p><b>Complied with</b>  EAs strengthened pre-qualification criteria under two ADB-funded projects: Loan 2106: Southern transport Corridor Road rehabilitation); and 1742 : Community-based Infrastructure Services Sector.</p> <p><b>Not valid.</b>  The current ceiling exceeds the actual disbursement requirements</p> <p><b>Complied with</b>  MOEF plans, allocates and reallocates resources transparently. There is a scope for improvement in providing the information on decisions made to IFIs on regular basis.</p> <p><b>Complied with.</b>  MOTC agreed with MOEF the course of actions to address the most sensitive case of price escalation under the ADB-funded Third Road Rehabilitation Project</p> <p><b>Being complied.</b>  Substantial delays were observed during the reviewed period under ADB-funded projects: Second Education Project, and Rural Livelihood Development Project.</p>
<p><b>Procurement</b></p> <p>5.1 IFIs will conduct:</p> <ul style="list-style-type: none"> <li>• at least one operational training (projects preparation, supervision, and completion)</li> <li>• 2 workshops in procurement procedures for improving the knowledge of senior officials, staff of the EAs, PIUs and domestic consulting companies, contractors and suppliers</li> </ul> <p>5.2 EAs will develop and implement the human resource management policy to retain the staff trained under development assistance projects for at least 2 years.</p> <p>5.3 To limit interference into and strengthen the transparency of procurement decisions and their compliance with national and donor procurement procedures MOEF will review the existing arrangements of procurement and selection committees functioning within line ministries, and develop necessary improving measures</p> <p>5.4 Except for large contracts, IFIs will respond to EA's procurement recommendations within 14 days</p>	<p>By end-2006</p> <p>30 July 2006</p> <p>30 July 2006</p> <p>Regularly</p>	<p><b>Complied with</b>  ADB conducted:</p> <ul style="list-style-type: none"> <li>• Result-Focused Project Design and Management Seminar, 27 Sept. - 4 Oct. 2006 at Raduga</li> <li>• Country Implementation and Administration Seminar, 19-29 Sept. 2006 at Hyatt</li> <li>• One MOF official participated at Orientation Program for DMC Officials at ADB Headquarters, Manila, 4-22 September 2006</li> </ul> <p>WB conducted:</p> <ul style="list-style-type: none"> <li>• Two in- country and one regional procurement workshops</li> <li>• One Financial Management workshop</li> </ul> <p><b>Pending</b></p> <p><b>Complied with</b>  MOF staff is participating in tender commissions for some projects to ensure compliance with procurement requirements. To streamline procurement process, MOF prepared an order and regulation on establishment of tender commissions, to be effective upon registration by Ministry of Justice.</p> <p><b>Complied with excluding L1742:CBISSP</b>  Substantial delays were observed under L1742 due to poor quality of submissions and lack of proper investment planning. WB: complied with,</p>
<p><b>Start-up activities</b></p> <p>6.1 The Government will take necessary actions for timely completion of start-up activities</p>	regularly	<b>Complied with</b>
<b>Implementation environment</b>		

Activities	Milestones	Status
7.1 MOEF in consultations with Chamber of Accounts (CoA) will develop and submit to the Government for approval necessary actions to minimize the number and duration of PIU inspections by controlling bodies, including CoA.	30 July 2006	<p><b>Complied with</b> According CoA reply to MOF inquiry, the audits of IFI funded projects are conducted fully in line with legislation, once in 1-1.5 years, except for special cases. The duration each inspection varies from 1 to 1.5 months.</p>
8.1 To address the discrepancy in regulations regarding VAT and income tax for international consultants (pending from last year's CPPR) the MOEF working group will review the associated legislation and donor procedures and develop an efficient strategy for resolving the issues of taxation of goods, works, services, taking into account various privileges and exemptions and agree this strategy with IFIs	30 April 2006	<p><b>Pending</b> No substantive consultations with IFIs held. Still not clear for international consulting services, especially where no bilateral agreements signed to avoid double taxation. MOF is preparing a regulation on taxation of IFI funded projects to be applied uniformly to all projects. A working group has been established on social fund charges, which will prepare a relevant instruction. Government regulations for PIU staff salary have been revised to upgrade it to today requirements. However, some deficiencies have been identified which should be discussed and resolved in consultation with IFIs.</p>
8.2 The Government will review and harmonize the taxation procedures/orders/ instructions issued by different government organizations and apply them uniformly to all projects financed by international organizations and donor countries.	30 July 2006	<p><b>Pending</b> (see comment above)</p>
9.1 IFIs will field joint missions where possible as a part of the ongoing harmonization agenda.	regularly	<p><b>Complied with</b> ADB, WB and DFID conducted a joint mission for their respective projects in water supply and sanitation sub-sector. Series of joint ADB and WB review meetings were conducted on ADB JFPR Reducing Vulnerability of Poor to Natural Disasters and WB DHMP Disaster Hazard Mitigation projects. The same implies for Health and Social protection project (SWAP) financed by WB, DIFD, SIDA, SDC, KFW</p>
9.2 Each ministry will establish a single donor coordination structure replacing the steering committees for individual projects where possible	30 July 2006	<p><b>Pending</b> MOH established Strategic Planning and Health Policy Department acting as a single coordination mechanism. MOE resumed its Donors Council  The Government has initiated the process of merging PIUs within each sector into a consolidated sectoral unit. The Goscominvest resolution from July 2006 assigns MOF to negotiate with IFIs within two months the consolidation mechanism. Consistent approach should be applied to ensure optimized and efficient consolidation with no interruption to project implementation process. For example, the scope for integration of PIUs will be assessed and an action plan will be developed for ADB and WB-funded Second Education and Rural Education projects.</p>
10.1 IFIs will continue to decentralize portfolio administration to timely identify and resolve the project implementation issues, and decrease response time	By end-2006	<p><b>Being complied with.</b> (See comment for 10.2 below)</p>
10.2 ADB KYRM take over two more projects for administration	By end -2006	<p><b>Being complied with</b> The administration of ADB grant 0020 was delegated to KYRM in 2006.</p>
10.3 ADB and IDB will consider possibilities for EAs to submit financial and procurement documents in electronic form to expedite their processing and reduce the mailing costs	By end -2006	<p><b>Complied with</b> ADB is accepting advance electronic copies of financial and procurement documents for processing, while final decisions are issued upon arrival of originals.</p>

### Annex 3: Health Sector Results Matrix 2006-2010

Design Summary	Monitoring indicators	Baseline		Current	Target	Ongoing portfolio contribution	
		2000	2004	2006	2010	2000-2006	2007-2010
<b>Impact</b> Improved health status	Life Expectancy	68.5	63.3/72.2	64.8/71.8	65.0/73.0	Life expectancy has been steadily increasing from 66.0 in 1995 to 68.3 in 2004	
	Infant (IMR) and Under-5 Mortality Rate*(U5MR)	22.6/33.2	25.7/31.2	29.2/36.0	0.6-0.8 annual decrease	Decline in IMR, U5MR observed since 1996 till 2003 is associated with implementation of Manas health strategy, supported by IFIs (IMR from 25.9 to 22.6; MMR from 80. to 46.4). Deterioration of IMR, U5MR since 2004-05 may represent better reporting, adoption of internationally accepted methodologies. On MMR - there have been variations in MMR over years w decline from 62.9 in 1990 till 46.4 in 2004, and increase to 61 in 2005 and decrease in 2006 till 53. Regional variations in IMR, U5MR, MMR might be explained by differences in socio-economic status, progress of reforms by regions	
	Maternal Mortality Ratio* (MMR)	46.5	46.4	53.0	40.0	Decline in incidence & mortality rates from TB from 13.4 per 100,000 in 1995 to 11.2 in 2004 due to implementation of the DOTS under the WB Health-I, TB project/KfW, HOPE/USAID (04-09), GFATM	
	TB incidence and mortality rates	150.9 /12.6	128.1 /114/11.2	121.2 /110/10.2	111.3 /91/9.0		
	HIV/AIDS cases	53	153	233 growth +41.2%	Max 20% growth	Most large scale projects started in 2004-2005 (CARHAP/DFID, CAPACITY /USAID, CA AIDS/ WB, GFATM). Results are yet to come.	
	CVD (cardiocascular diseases) mortality rate	47.4/168.3	50/307	55.8/312.2 (2005)	31/203	There have been no donors providing a support in area of CVD	
<b>Outcomes</b> Improved equity and accessibility of health care (through renovated, well equipped PHC) and a more efficient hospital system	Primary health care (PHC) utilization rate (# of visits to FGP/FAPs) per capita	N/A	2	2.2	3	PHC coverage has expanded up to nearly 98 percent with free access to PHC services under state benefit package (SGP <sup>30</sup> ) as a result of PHC reform (including institutional changes, retraining of staff, and change of provider payment methods). Access to basic health care for the poor has been extended. At the same time there has been a significant reduction of the hospitalization rate among patients enrolled with a PHC provider.	
	% of FGP doctors with enrolled population over 200 people in rural areas		57.7%	76.8%	33%	The number of hospitals decreased from 703 in 1999 to 301 in 2004. The number of hospital beds and bed capacity was reduced by 25% during 2000-2005 as a result of restructuring reforms. Number of unnecessary hospital admissions has decreased. This freed up expenditures for meals and drugs.	
	Hospitalization rate	14.5 (2001)	12.5	14.1	12.5	The proportion of FGPs with more than 2000 registered population grew from 58 to 73% and 76.8% bw 2004 and 2005, 2006 reflecting a fast-developing human resource crisis in health sector. SWAp support various policy initiatives designed to respond to this.	
	Deviation from national average (AVRG) of served ambulance calls, by oblasts, per 1,000 population	-33.1% to 107.8% (2001)	-92% +40%	-29% +75.8%	No more than +/-20% deviation	Increased financing of ambulance services together with procurement of ambulances under SWAp, KfW Emergency care is expected to reduce regional variations in access to ambulance care.	
Reduced financial burden/Improved financial protection	% of population who didn't seek a care due to financial and geographical reasons	14.3%	8.6%	study in 2007	TBD	SGP, developed with IFIs assistance, has extended access to basic health care for the population by providing a financial protection;	
	Ratio of co-payment in hospitals to AVRG salary (per patient)	20.8% (2001)	30.8%	22.3%	Not higher than 30%	Introduction of "Outpatient drug benefit" package reduced out-of-pocket payments for outpatient drugs and further strengthened PHC. This was critical in reducing barriers to access to health since pharmaceutical spending accounted for the largest	
	Percent of out-of-pocket health expenditures in total household consumption		7.1/5.5%	N/A	4.0/4.0%	IFIs assistance in review of SGP will support MOH efforts on assuring financial sustainability of SGP and addressing the imbalance bw expected resource needs and anticipated revenues to fund it	

<sup>30</sup> SGP – State Guarantee program is a state benefit package of health services

Design Summary	Monitoring indicators	Baseline		Current	Target	Ongoing portfolio contribution	
		2000	2004	2006	2010	2000-2006	2007-2010
	Deviations from average (AVRG) expenditures on Outpatient Drugs package, by regions	N/A	-59% - +56%	-27.2% (Talas) +43.6% (Bishkek)	< then +/- 20% deviation from AVRG	share of household budget expenditure on health. The cost of prescribed drugs that were covered by the MHIF has increased from 54.2 to 61.5% thus decreasing the financial burden on insured population.	IFIs will continue to provide an assistance to the MOH/MHIF in increasing physical and economical availability of drugs in rural areas
Improved efficiency of health delivery system	Share of government health spending on PHC as a proportion of total government health expenditures	16% (2001)	29.9%	33.9%	32.7%	More cost-effective health delivery system was developed with IFIs assistance through the reduction of hospitals, beds from the merging of specialty hospitals into the general hospital system. Restructuring and financing reforms resulted in an increased share of PHC from 7 percent in 1994 to 29.9% in 2004; balancing of fixed and variable costs in hospital financing with an increased expenditure allocated to direct patient care, from 16.4 percent in 2000 to 36.6 percent in 2004;	
	Direct expenditures on health care (drugs, food, med.supplies) as % of total government health expenditures	16.4%	36.6%	30.5%	30%		
Improved quality of health services	Immunization coverage (under National Immunoprevention calendar)		99%	99%	99%	Continuous immunization coverage is associated with the support provided by UNICEF, CB ECD-I/ADB (which is currently financing significant share of vaccines, 60% out of total costs)	Closing of ECD-II/ADB in 2008 would require government to meet its commitment on funding of vaccines
	% of pregnant women w diagnosis anemia at the time of admission for delivery	N/A	40.6%	35.7%	30%	Cost-effective interventions supported by MCH program/KfW, UNICEF, UNFPA, CB ECD-I/ADB, Health-I/WB, KSHP/SDC	MCH was identified as one of priorities under Manas Taalimi which is being implemented w IFI's assistance. Identification and targeting of cost-effective interventions will be essential
	% of women receiving a complete package of antenatal services	N/A	N/A	pending	pending		
	Clinical guidelines were updated/developed according to latest international guidelines and used		89			IFIs provided a support on development of 89 clinical guidelines	
Improved health sector financing that gave universal access to an affordable benefits package of services	Total consolidated health expenditures as a proportions of total government expenditures (TGE)	10.1%	10.5%	10.6%	13.0%	Between 1995 and 2003, the share of health spending in TGE was decreasing from year to year reflecting a conflict bw the stated government objectives and budget priorities, while ensuring sustainable funding is a critical success factor for health reforms. IFI have provided a support to the MOH in building its capacity to argue for resources and support from the Ministry of Finance (MOF)	IFIs agreed w government on improvement of budget sustainability through ensuring optimal levels of budget financing (increase of health spending from 10.3% in 2005 to 13 % by 2010 and budget deviation index less then 5%). Data of 2006 showed that the MOF met the agreed targets.
Increased health system transparency & response	Informal payments as % of household OOPs for hospitalization	98%	58%	survey in 2007	40%	Co-payment policy was introduced to transform informal payments into official, transparent payments and to protect poor from impoverishing effects of medical expenditures via transparent and well defined exemption mechanisms	
	Functioning of complaint handling mechanism (share of patients complaints)	pending	pending	pending	pending		IFIs will provide a support to the MOH/MHIF to improve fiduciary performance of the sector ( both financial management and procurement)
	Timely submission of FMRs, audit reports;	N/A	N/A	N/A	100%		
	% of procurements carried out in full compliance;	N/A	N/A	pending	100%		

Outputs	Monitoring Indicators	Baseline		Current	Target	Ongoing portfolio contribution	
1) Policy/ Institutional change in organization and financing of health care 1. Strengthened stewardship function of the MOH. 2. Purchaser-provider split. 3. Strengthened purchasing function of the MHIF. 4. Strengthened service	<ul style="list-style-type: none"> <li>Organizational structure of the MOH was streamlined. The MOH is a steward and not longer being the purchaser and service provider;</li> <li>Single Payer system was introduced (MHIF with its oblast branches on oblast levels);</li> <li>Oblast Health Departments were abolished;</li> <li>Autonomy of health providers was introduced;</li> <li>National Steering Board on health reforms and MHIF;</li> </ul>			MOH is restructured and staffing is increased in order to implement SWAp		IFIs have assisted in implementation of key structural changes: <ul style="list-style-type: none"> <li>The MOH is moving toward modernization, playing a steward role in policy making, priority setting, resource mobilization, budget formulation linked to policy priorities and monitoring and evaluation-- rather than being the purchaser and service provider; while the MHIF plays purchasing function. It has improved its capacity to argue for resources and support from the Ministry of Finance, Social Fund and the Parliament.</li> <li>The foundation for modern provider-payment mechanisms (capitation for PHC and case-based</li> </ul>	MOH is a lead agency in policy formulation. However there are many other government agencies whose decisions affect health reforms. Thus a key challenge will be to clearly delineate functions bw the MOH and other agencies.

Outputs	Monitoring Indicators	Baseline	Current	Target	Ongoing portfolio contribution	
provision through 1) merging of: a) specialty policlinics into multiprofile policlinics/FMCs; b) specialty hospitals into the general hospital system; and 2) establishment of 798 FGPs in 8 oblasts;	<ul style="list-style-type: none"> <li>- Further restructuring of the MOH structure in 2005 under preparation of Health SWAp;</li> <li>- IFIs supported development of professional associations ( FGP Association, Hospital Association and Accreditation Commission);</li> </ul>				<ul style="list-style-type: none"> <li>- payment system for hospitals) has been established and rolled out nationwide.</li> <li>- A management information system (MIS) has been established which connects the purchasers and providers, and links clinical and financial data.</li> </ul>	
2)Policy/Institutional change: Enabling legal environment/ regulations developed and enforced/	<p>Key fundamental laws, programs, concepts and regulations were developed and enacted during 2000-2006:</p> <ul style="list-style-type: none"> <li>- Law on Health Protection, 01/09/2005;</li> <li>- Single Payer Law; 06/24,2003;</li> <li>- Law on health institutions, 08/13/2004;</li> <li>- Law on sanitary-epidemiological well-being;</li> <li>- Law on interpretation of Art 19 of Budget Law (incl co-payment policy), 09/17/2004;</li> <li>- Law on amendments to Law on Health Insurance, 06/10/2003;</li> <li>- Law on interpretation of Art 57 of Local Governance Law;</li> <li>- State Guarantee Program was developed and is approved annually by GOK's decree;</li> <li>- Health care financing concept;</li> <li>- Drugs Policy;</li> <li>- Manas Taalimi Health Sector Strategy;</li> </ul>	no amendments	no amendments	amendments to Law on sanitary-epidemiological well-being	<p>IFIs provided assistance in drafting, reviewing and commenting fundamental laws, concepts and regulations which have enabled a legal environment for institutional changes</p> <ul style="list-style-type: none"> <li>- Purchaser/Provider split (Single Payer Law);</li> <li>- Autonomy of health providers (Law on health institutions);</li> <li>- Pooling of funding at national level (Laws on interpretation of Art 19 of Budget Law &amp; Art 57 of Local Governance Law);</li> <li>- New Provider Payment methods</li> <li>- Improved availability of essential drugs by IFI's financing of a large quantity of them and by strengthening GOK's drug regulatory capabilities and cost-effectiveness of public spending;</li> </ul>	Ongoing public health reforms would require IFIs support in drafting, reviewing appropriate amendments into the Law on sanitary-epidemiological wellbeing.
3)Policy/ Institutional change: Community based Village Health Committees (its associations) are being established to play a role in health promotion and accountability of health providers to communities	<ul style="list-style-type: none"> <li>- Number of Village Health Committees (VHC) established and operational; and area covered by these VHCs;</li> <li>- Number of VHCs Associations established and operational; and area covered by these VHCs.</li> </ul>				<p>The foundation for enhanced consumer participation in the health system was established through creation of VHCs in villages of Naryn &amp; Talas oblasts with the support of Kyrgyz-Swiss Health Project</p>	<p>Experience with VHS is being scaled up nationwide with the support of SIDA under Manas Taalimi implementation.</p> <p>The health care system is only one among many determinants that impact health status. For example mothers education, household income, water and sanitation are other important determinants</p>
4) Physical rehabilitation: MOH's capacity to manage rehabilitation of facilities has been improved.	<ul style="list-style-type: none"> <li>- a network of 6 training facilities for training on Family medicine, health promotion were refurbished and equipped;</li> <li>- PHC facilities ;</li> <li>- inpatient facilities;</li> <li>- SES laboratories;</li> </ul>	In all oblasts;	76; 41; 54;		PHC, inpatient facilities, oblast and rayon SES labs were satisfactorily rehabilitated and equipped without any cost overruns during implementation of Manas program w support of IFIs	No rehabilitation of health facilities is envisaged under pooled funding of SWAp
5)Capacity building:	<ul style="list-style-type: none"> <li>- retraining of health professionals on family medicine; health promotion;</li> <li>- facilitation of curricula revision;</li> <li>- development of health management and research expertise;</li> <li>- 120 SES staff were trained on lab methods;</li> <li>- 75 epidemiologists were trained on issues of modern epidemiology;</li> </ul>				<p>During 2001-2006 the following number of health professionals were trained in Family medicine:</p> <ul style="list-style-type: none"> <li>- 59 residents;</li> <li>- 23 physicians-instructors;</li> <li>- 22 feldsher-instructors;</li> <li>- 1654 physicians and 1953 nurses under Health-I;</li> <li>- 924 physicians, 2604 nurses, 503 FAP feldshers and 348 ambulance feldshers under Health-II;</li> </ul> <p>In addition, 168 managers of health facilities were trained on health management; and 385 people - on health promotion;</p>	



Design Summary	Monitoring indicators	Baseline 2000	Current (end 2006)	Target 2010	Ongoing portfolio contribution	
					2000-2006	2007-2010
	<ul style="list-style-type: none"> <li>- Number of alternative preschools operating.</li> <li>- A Law on Preschool Education adopted.</li> </ul>	25 No	311 No	530 Yes	children 100 participants trained on ECD; <b>UNICEF</b> <ul style="list-style-type: none"> <li>- Community-based and state preschool teachers trained in Batken and Chui oblasts;</li> <li>- ECD guidelines developed and 1000 copies of preschool program guidelines printed;</li> <li>- Community-based preschools opened in Batken raion and in Bishkek suburbs;</li> </ul>	<ul style="list-style-type: none"> <li>- 12 resource kindergartens provided with learning materials and teacher training, and equipment</li> </ul> <b>Save the Children (UK)</b> <ul style="list-style-type: none"> <li>- Minor rehabilitation of schools;</li> <li>- Improving curricula and training methodology</li> </ul> <b>Aga Khan Foundation</b> <ul style="list-style-type: none"> <li>- Textbooks, learning materials, infrastructure and methodology development for preschools;</li> </ul> <b>FTI (2007-2008)</b> <ul style="list-style-type: none"> <li>- 30 community subprojects for establishing, rehabilitating, and equipping community preschools supported;</li> <li>- 600 parents and community representatives in Naryn, Batken, and Chui oblasts trained on early childhood development;</li> <li>- All kindergartens provided with printing materials;</li> <li>- 99 state kindergartens in three oblasts provided with learning materials, sport equipment, furniture and bedding;</li> <li>- Community-based preschools not supported by projects and preschools established under FTI received training materials, equipment, furniture, and bedding;</li> <li>- Preschools teachers pre-service and skills upgrading training programs evaluated and improved.</li> </ul>
Physical and learning environment favorable and inclusive with strong community participation	<ul style="list-style-type: none"> <li>- Number of students benefiting from the rehabilitated/ constructed schools.</li> <li>- Number of SN children benefiting from schools with special facilities.</li> <li>- Number of students benefiting from furniture, learning aids, and ICT equipment.</li> <li>- Number of students at primary school provided with meal.</li> <li>- Number of schools' education committees/community-based organizations operational.</li> <li>- % schools meeting sanitary and hygienical standards</li> </ul>	51,000 3,536 1,111,374 na 1,975 na	125,000 2,814 1,086,554 421,180 2,102 na	171,000 3,538 1,303,865 481,409 2,132 na	<b>ADB - Education Sector Program (1998-2004)</b> <ul style="list-style-type: none"> <li>- 192 schools rehabilitated (heating system repaired; school facilities upgraded). ICT facilities developed in 58 schools. 123 schools received furniture.</li> </ul> <b>Social Services delivery and Finance (co-financed by OPEC Fund) (1998-2005)</b> <ul style="list-style-type: none"> <li>- 187 schools rehabilitated and furniture provided to 317 schools</li> <li>- 100 Osh school administrators trained</li> <li>- 214 education facilities (including kindergartens, boarding schools, lyceums, etc.) rehabilitated</li> </ul> <b>USAID - PEAKS Project (2004-2007)</b> <ul style="list-style-type: none"> <li>- 27 schools rehabilitated, 13 schools supplied with furniture and equipment</li> </ul>	<b>ADB - Second Education Project (2005-2010)</b> <ul style="list-style-type: none"> <li>- 90 schools (for 55,537 students) including 2 schools with 360 SN children rehabilitated and received furniture, equipment, textbooks, learning materials, and learning aids</li> </ul> <b>WB - Rural Education Project (2005-2010)</b> <ul style="list-style-type: none"> <li>- 306 schools received grants for schools/learning improvement</li> </ul> <b>FTI (2007-2008)</b> <ul style="list-style-type: none"> <li>- 49 schools rehabilitated;</li> <li>- 300 schools received learning materials and textbooks, sport equipment, and furniture.</li> <li>- Capacity of local self-governments in planning, monitoring of preschool programs</li> <li>- Public awareness and workshops for parents and communities on early childhood development and preschool education</li> </ul> <b>USAID - PEAKS Project (2004-2007)</b> <ul style="list-style-type: none"> <li>- Guidelines for community mobilization developed</li> </ul>
<b>3. Quality and Content of Education</b>						
Improved education content and teaching technologies and practices	<ul style="list-style-type: none"> <li>- Results and competency-based national curriculum introduced with optimized learning workload.</li> <li>- Percent of students using the new generation textbooks consistent with the new curriculum.</li> <li>- Percent of teachers using new learning/teaching materials</li> </ul>	No na na	No na na	Yes 10.3% 5.8%	<b>ADB - Education Sector Program (1998-2004)</b> <ul style="list-style-type: none"> <li>- 7,027 specialists (10% of teachers and administrators) trained.</li> <li>- Skills upgrading programs initiated. Teaching methods improved.</li> <li>- Provision of textbooks increased from 68.2% (2001) to 87.5% (2003).</li> <li>- Textbook rental scheme introduced nationwide.</li> </ul> <b>USAID - PEAKS (2003-2006)</b> <ul style="list-style-type: none"> <li>- 4,500 teachers of 127 schools trained on</li> </ul>	<b>ADB - Second Education Project (2005-2010)</b> <ul style="list-style-type: none"> <li>- Five policy studies, a new 11 or 12-year curriculum, and new textbooks and learning materials developed for grades 1-11 or 12, and textbooks for grade 1 disseminated;</li> <li>- 670,000 copies of new textbooks for grade 1 and 61,000 copies of teaching guides disseminated</li> <li>- 10.3% of students using the new generation textbooks consistent with the new curriculum.</li> <li>- 5.8% of teachers using new learning/teaching materials consistent with the new curriculum.</li> <li>- formative and summative classroom assessment</li> </ul>

Design Summary	Monitoring indicators	Baseline 2000	Current (end 2006)	Target 2010	Ongoing portfolio contribution	
					2000-2006	2007-2010
	<p>consistent with the new curriculum.</p> <ul style="list-style-type: none"> <li>- Innovative teaching technologies and methods applied.</li> <li>- Use of ICT for teaching/learning</li> <li>- % of schools meeting minimum required standards for facilities</li> </ul>	62.4%	66.2%	95.3%	<p>innovative teaching methods</p> <ul style="list-style-type: none"> <li>- 142 teachers certified</li> <li>- Teaching quality index increased for primary schools -from 1.6 in 2003 to 2.0 in 2005; for secondary school – from 2.1 in 2003 to 2.4 in 2005.</li> </ul>	<p>systems developed;</p> <ul style="list-style-type: none"> <li>- certificate program in education assessment created;</li> <li>- public support raised for the new curriculum and assessment, and inclusive education</li> </ul> <p><b>WB - Rural Education Project (2005-2010)</b></p> <ul style="list-style-type: none"> <li>- 1,760 schools (except for Talas and Issyk-Kul oblasts received learning materials, and 306 schools of Talas and Issyk-Kul oblasts received training materials through Learning Materials Fares.</li> <li>- formative and summative classroom assessment systems developed and introduced;</li> </ul> <p><b>UNICEF</b></p> <ul style="list-style-type: none"> <li>- Global education principles, democratic society, environment, health, child rights, human rights issues reflected in the curricula; Interactive learning.</li> </ul> <p><b>USAID - PEAKS Project (2004-2007)</b></p> <ul style="list-style-type: none"> <li>- 100 school representatives trained on ICT</li> </ul> <p><b>SOROS</b></p> <ul style="list-style-type: none"> <li>- Improved teaching methodology</li> </ul>
Improved student learning assessment system	<ul style="list-style-type: none"> <li>- Learning assessment system sensitive towards SNE introduced and operational.</li> <li>- Students regularly assessed on literacy, mathematics, and life skills.</li> <li>- Number of graduates received scholarship grants.</li> <li>- Percent of parents and students satisfied with the assessment system</li> </ul>	no	no	yes	<p><b>ADB - Education Sector Program (1998-2004)</b></p> <ul style="list-style-type: none"> <li>- School licensing and attestation system and National Testing Center strengthened.</li> <li>- Number of rural youth received grants for higher education increased to 5,705 in 2006.</li> </ul> <p><b>USAID- PEAKS (2003-2006)</b></p> <ul style="list-style-type: none"> <li>- Survey on critical thinking skills for grade 9 at 60 schools</li> <li>- Percent of parents satisfied with teaching quality increased from 37% in 2003 to 51% in 2995.</li> </ul>	<p><b>ADB - Second Education Project (2005-2010)</b></p> <ul style="list-style-type: none"> <li>- Five policy studies, a new 11 or 12-year curriculum, and new textbooks and learning materials developed for grades 1– 11 or 12, and textbooks for grade 1 disseminated;</li> <li>- formative and summative classroom assessment systems developed;</li> <li>- certificate program in education assessment created;</li> <li>- public support raised for the new curriculum and assessment, and inclusive education.</li> </ul> <p><b>WB - Rural Education Project (2005-2010)</b></p> <ul style="list-style-type: none"> <li>- student learning assessment system introduced;</li> <li>- 200 teachers trained on student learning assessment</li> <li>- 11,000 teachers trained</li> </ul>
Enhanced teachers' capacity and teaching quality and incentives	<ul style="list-style-type: none"> <li>- Teachers capable to teach based on the new curriculum.</li> <li>- Percent of staffing requirements met</li> <li>- Percent of teachers under 45 in total number of school teachers</li> <li>- Teacher supply index increased.</li> <li>- Teacher salaries increased.</li> </ul>	na	na	12,754	<p><b>ADB - Education Sector Program (1998-2004)</b></p> <ul style="list-style-type: none"> <li>- 7,027 specialists (10% of teachers and administrators) trained.</li> <li>- Skills upgrading programs initiated. Teaching methods improved.</li> <li>- However, only 53% of the trained teachers were applying what they learned</li> </ul>	<p><b>ADB - Second Education Project (2005-2010)</b></p> <ul style="list-style-type: none"> <li>- Capacity for delivering in-service teacher training will be raised in NTTI and oblast TTIs;</li> <li>- 12,754 teachers and schools managers trained in new curriculum, textbooks, and learning materials; formative and summative assessment;</li> <li>- 300 teachers receive sufficient incentive to teach in rural schools through Teacher Deposit Scheme.</li> </ul> <p><b>WB - Rural Education Project (2005-2010)</b></p> <ul style="list-style-type: none"> <li>- 300 teachers receive sufficient incentive to teach in rural schools through Teacher Deposit Scheme;</li> <li>- 11,000 pedagogical staff trained;</li> <li>- Efficient school management system developed, piloted and introduced.</li> </ul> <p><b>USAID - PEAKS (2003-2006)</b></p> <ul style="list-style-type: none"> <li>- Improve in-service teacher education</li> </ul> <p><b>Soros Foundation- Kyrgyzstan</b></p> <ul style="list-style-type: none"> <li>- Upgrading school managers' skills</li> <li>- In-service training;</li> <li>- Increased participation in general education schools</li> <li>- Established independent testing system</li> </ul>

**Annex 5: Road Sector Results Matrix**  
2006-2010

Design Summary	Monitoring indicators	Baseline 2000	Current (end 2006)	Target 2010	Ongoing portfolio contribution		
					2000-2006	2007-2010	
<b>Impact</b> <ul style="list-style-type: none"> <li>Road infrastructure provides adequate access to regional and domestic markets, employment opportunities and social services</li> </ul>	<ul style="list-style-type: none"> <li>Traffic density increased from 1400 BTU/day in 2006 to 2800 BTU/day by 2010</li> </ul>	900 BTU/day	1400 BTU/day	2800 BTU/day	<ul style="list-style-type: none"> <li>Bishkek-Osh traffic volume improved as follows 2000 – 1800BTU/day, 2006 – 2200 BTU/day, 2010- 4200 BTU/day, __</li> <li>Bishkek Almaty traffic volume improved as follows 2000 – 7200 BTU/day, 2006 – 8200 BTU/day, 2010- 14000 BTU/day.</li> </ul>	<ul style="list-style-type: none"> <li>Osh-Irkeshtam traffic improved as follows 2006 – 1080 BTU/day, 2010- 2300 BTU/day.</li> </ul>	
	<ul style="list-style-type: none"> <li>Cargo volume increased from 29.5 mln ton/km in 2006 to 44.3 mln ton/km by 2010</li> </ul>	22.3 mln ton/km	29.5 mln ton/km	44.3 mln ton/km			
	<ul style="list-style-type: none"> <li>Passenger transportation increased from 6,329 mln in 2006 to 10,100 mln in 2010</li> </ul>	4,629 mln	6,329 mln	10,100 mln			
<b>Outcomes</b> <ul style="list-style-type: none"> <li>Regional road corridors meet the operational standards</li> <li>The key national road network meets the operational standards</li> </ul>	<ul style="list-style-type: none"> <li>By end 2007, 55% and, by end 2010, 75% of key regional transport corridors meet the operational standards: of axis load 10 ton, IRI ≤4.5, average speed 60 km/hrs</li> </ul>	35% (750 km)	55% (1180 km)	75% (1600 of total 2142 km)	<ul style="list-style-type: none"> <li>22.6% of regional transport corridors By end-2006 485 km of Bishkek Osh road fully rehabilitated in three phases (ADB, IsDB and JBIC)</li> </ul>	60% of regional corridors	
	<ul style="list-style-type: none"> <li>By end-2007 40% and by end-2010 100% of 5,400 km of key national network meet the operational standard of IRI ≤6.5</li> </ul>	45% (2430 km)	32% (1715km)	100% (5400km)			<ul style="list-style-type: none"> <li>2% of core network By end-2007 Tash-Kumyr-Karajigach (53 km) and Bazzarkorgon-Arslanbop (52 km) rehabilitated</li> </ul>
	<ul style="list-style-type: none"> <li>Average car maintenance costs decreased from \$800 per year to \$500 per year</li> </ul>	\$900	\$800	\$500			<ul style="list-style-type: none"> <li>Decrease from \$900 to \$800 per car</li> <li>\$500 /car</li> </ul>
<b>Outputs</b> <p>1 Key regional corridors rehabilitated</p>	by end 2006 Bishkek – Georgievka	0% (0km)	80%	100% (16km)	By end-2006, the road rehabilitation is 80% complete (ADB, EU Tacis) - 0.56% of regional corridors	<ul style="list-style-type: none"> <li>by mid-2007 0,7 % of key regional road corridors (ADB) 16 km will be completed by mid-summer 2007 (delayed completion)</li> </ul>	
	by end 2007 Bishek-Osh 672 km	12%(80km)	69%(467km)	100%(672km)	<ul style="list-style-type: none"> <li>By end-2007 Bishkek Osh fully rehabilitated in three phases (ADB, IsDB and JBIC) 539 km or 31% of regional transport corridors</li> <li>8 road maintenance equipment units for \$1.6 mln procured in 2006 (ADB)</li> <li>184 road construction and maintenance equipment units for \$7.7 mln in 2000, and 15 units of various equipment (construction, satellite and radio communication) for \$4.0 mln in 2006 (JBIC)</li> </ul>	31% of regional corridors	
	by end 2007 Talas-Taraz – Suusamyр 52 km by end 2010 – 199 km	0%	0%	100%(199km)	Road rehabilitation is 16% complete – 0.4% of regional corridors	9% of regional corridors <ul style="list-style-type: none"> <li>Talas-Taraz – Suusamyр (IsDB) 52 km of total 199 km</li> </ul>	
	by end 2010: <ul style="list-style-type: none"> <li>Osh-Irkeshtam 258 km</li> </ul>	0%	7% (18km)	89%(230km)	18 km (PRC) -0.8%	10% of regional corridors <ul style="list-style-type: none"> <li>Osh-Irkeshtam 258 km</li> <li>ADB will rehabilitate 81 km, and IsDB 40 km of this corridor</li> </ul>	

Design Summary	Monitoring indicators	Baseline 2000	Current (end 2006)	Target 2010	Ongoing portfolio contribution	
					2000-2006	2007-2010
	<ul style="list-style-type: none"> <li>Osh –Isfana 220 km of total 385 km</li> </ul>	0%	0%	57%(220km)	<ul style="list-style-type: none"> <li>EU TACIS supported preparation of feasibility study</li> </ul>	10% of regional corridors <ul style="list-style-type: none"> <li>Osh –Isfana 220 km</li> </ul>
	<ul style="list-style-type: none"> <li>Bishkek-Naryn-Torugart 200 km of total 539 km</li> </ul>	0%	1%(5km)	37%(200km)	<ul style="list-style-type: none"> <li>Donors supported preparation of feasibility stude</li> </ul>	9% of regional corridors <ul style="list-style-type: none"> <li>Bishkek-Naryn-Torugart 200 km</li> <li>60 km section rehabilitated and 62 units of maintenance equipment for \$5 mln procured (JBIC and JICA)</li> </ul>
	<ul style="list-style-type: none"> <li>Sarytash – Kyzylart 150 km</li> </ul>			100%		
	<ul style="list-style-type: none"> <li>Issyk-Kul Ring Road 100 km of total 436 km</li> </ul>			25%	JICA TA for Issyk Kul area development including road infrastructure	
2 National road network is prioritized and re-classified to match the maintenance needs with the resources available and maintained adequately	<ul style="list-style-type: none"> <li>Maintenance program is prioritized from 18,840 km to 5,500 km including: <ul style="list-style-type: none"> <li>I category<sup>31</sup> - 139 km - 139 km</li> <li>II category<sup>32</sup> - 456 km - 456 km</li> <li>III category<sup>33</sup> - 2,275 km - 2,275km</li> <li>IV category<sup>34</sup> - 8,481 km - 1,500km</li> <li>V category<sup>35</sup> - 7,466 km - 1,000 km</li> </ul> </li> </ul>	18840 km I categ - 139 km II categ - 456 km III categ - 2,275km IV categ - 8,481km V categ - 7,466 km	18840 km I categ - 139 km II categ - 456 km III categ 2275km IV categ - 8,481km V categ - 7,466 km	5500 km I category - 139 km II category- 456 km III categ - 2,275km IV categ - 1,500km V categ - 1,000 km	ADB assistance in sector strategy formulation  WB assistance for network analysis	
	<ul style="list-style-type: none"> <li>Routine and periodic maintenance expenditure reach the following levels: <ul style="list-style-type: none"> <li>I category- \$800 per 1 km</li> <li>II category- \$730 per 1 km</li> <li>III category - 670 per 1 km</li> <li>IV category - \$600 per 1 km</li> <li>V category - \$400 per 1 km</li> </ul> </li> </ul>	I category- \$190km II categ - \$ 150/km III categ - \$110/km IV categ - \$85/km V categ - \$50/km	I categ - \$230/km II categ- \$190/km III categ - \$150/km IV categ - \$95/km V categ - \$72/km	I categ - \$800/km II categ - \$730/km III categ - 670/km IV categ - \$600/km V categ - \$400/km		
	<ul style="list-style-type: none"> <li>In 2006-2010 the capital repairs of national network are implemented on exclusive basis limited to \$1.0 mln a year</li> </ul>	X	X	\$1.0 million		
3 Maintenance funding is increased, mostly through introducing road user charges	<ul style="list-style-type: none"> <li>Budget allocation for road maintenance grows from \$7.2 mln in 2006 by 7% each next year</li> </ul>	80% (\$5.8mln)	100% (\$7.2mln)	128% (\$9.36mln)	ADB's policy dialogue under Bishkek-Osh road project (fixed expenditure level for road maintenance in the annual state budget) and policy recommendation under 5 TAs	ADB's policy dialogue under Osh-Irkeshtam Road project: <ul style="list-style-type: none"> <li>fixed expenditure level for road maintenance in the annual state budget</li> <li>assistance in establishment user fees for the corridor</li> </ul>
	<ul style="list-style-type: none"> <li>Toll and user fees collection increase from 0.7 million in 2006 to \$3.0 million by 2010</li> </ul>	36% (\$0.25mln)	100% (0.7mln)	428% (\$3.0mln)		
	<ul style="list-style-type: none"> <li>32% of maintenance cost financed out of tolls</li> </ul>	4.3% (\$0.25mln)	10% (\$0.7mln)	32% (\$3.0mln)		
4 The efficient and competitive maintenance practices are introduced through gradual transfer of maintenance function to the private sector	<ul style="list-style-type: none"> <li>6% of prioritized network is maintained by private contractors by end 2007 and increases by 8% annually thereafter</li> <li>Ratio of actual maintenance costs per 1 km to budget estimates ≤ 1.0</li> </ul>	0%	6% (320 km)	30% (1620km)	ADB's policy dialogue under Bishkek-Osh road project for pilot maintenance contracts with private sector, and policy recommendations under 5 TAs	By end 2010 30% of the key network is planned to be transferred to the private sector
5 Community-based maintenance practices for rural road outside of MOTC	5,000 km maintained by communities	0	0	5,000 km	Community participation in road maintenance – set of	Community-based maintenance practices are not envisaged in the draft

<sup>31</sup> ≥15 m wide

<sup>32</sup> 9 - 11.5 m wide<sup>1</sup>

<sup>33</sup> 7.5 m wide

<sup>34</sup> 6 m wide

<sup>35</sup> 4.5 m wide

Design Summary	Monitoring indicators	Baseline 2000	Current (end 2006)	Target 2010	Ongoing portfolio contribution	
					2000-2006	2007-2010
jurisdiction (15,000 km) are introduced and strengthened					regulations (ADB TA)	Road Sector Strategy
6 Road safety standards are improved and enforced	<ul style="list-style-type: none"> <li>Number of traffic accidents decreased from 22 incidents per 1,000 cars a year in 2006 to 17 incident per 1,000 cars in 2010</li> </ul>	24 incidents per 1000 cars a year	22 incidents per 1000 cars a year	17 incident per 1,000 cars	ADB assisted in establishing the national secretariat on road safety to support national road safety committee	
7 MOTC structure is adjusted to focus on sector policy, regulatory, procurement, supervision and quality ensuring functions	<ul style="list-style-type: none"> <li>New MOTC structure approved in 2007</li> <li>MOTC staff decreased from 1,200 to 900</li> </ul>	1300	1200	960	ADB supported to development of road sector strategy including recommendations on MOTC restructuring	
	<ul style="list-style-type: none"> <li>the necessary social protection measures are implemented</li> <li>8 DEUs eliminated by 2010</li> </ul>			14% (8 DEU)		
	<ul style="list-style-type: none"> <li>ICT systems for road condition monitoring introduced</li> </ul>	None	In 2004, locally adjusted international HDM-4 system; and, in 2006, computerized "Automobile roads condition monitoring system" (ARMS) introduced.	ARMS, HDM-4		
	<ul style="list-style-type: none"> <li>ICT systems for financial management introduced</li> </ul>	None	ICT system (accounting software 1C) for financial management is being introduced	ICT systems for financial management introduced	66 computers and accounting software (1C) procured and training for MOTC accounting staff (ADB)	
	<ul style="list-style-type: none"> <li>International design standards introduces</li> </ul>	SNIP 2.05.02-85	SNiP KR 32-01:2004 (developed and introduced in 2004). International AASHTO is also used	AASHTO	ADB provided TA for introducing international design standards	
	<ul style="list-style-type: none"> <li>Cross-border transport agreements reached to facilitate international traffic</li> </ul>		Cross border agreement was signed with Kazakhstan under L1775	CAREC action plan for transport movement facilitation is implemented	Cross border agreement was signed with Kazakhstan under L1775	

**IRRIGATION SECTOR INDICATORS AND EXTERNAL ASSISTANCE  
2006-2010**

Design Summary	Monitoring indicators	Baseline 2000	Current (end 2006)	Target 2010	Ongoing portfolio contribution by donors	
					2000-2006	2007-2010
<b>Impact</b> <ul style="list-style-type: none"> <li>• Agricultural production growth and conservation on irrigated lands.</li> <li>• Income growth of farmers using the irrigated lands.</li> <li>• Exposure of irrigated lands to risk of floods mitigated.</li> </ul>	Availability of irrigated land in ha.	1.064.300 ha	1.020900 ha	-	-	-
	Command irrigated area having and increase in crop yields (compared to year 2000).	987.300 ha	996.690 ha		300.000 ha	500.000 ha
	Growth of agriculture production.	2.6%	1.5% 4.5% (compare to 2000)	By 22% to 2005	7% (compare to 2000) - farmers	-
	Monthly average income of rural population/farmers increased by –% from 2000 baseline data.	\$7 - rural population	50% (\$14,8) 2004 - rural population 9% compare to 2000 - farmers	-	15% (compare to 2000) - farmers	-
	Yields increase by specific representative crop (c/ha):					
	- Wheat	25,9	23	29	28	29
	- Maize (grain)	55,9	48	55	44	55
- Cotton	26	24.3	29	28	29	
- Tobacco	23,8	13.5	26	25	26	
- Potato	150.2	137,9	165	126	165	
- Vegetables	157.2	141,1	170	123	170	
Land area unfavorable for melioration in ha.	86,000 ra	108,800 ra	12,000	27,800 ha improved	96,882 to be improved	
<b>Outcomes</b> <ul style="list-style-type: none"> <li>• All irrigation and drainage infrastructure properly operated, maintained, and meet the service demand efficiently.</li> </ul>	100% of total irrigated land (1.05 ha) has fully operational properly maintained systems	10% (100,000 ha)	25% (250,000 ha)	43% (450,000 ha)	25% (250 000 ha)	43% (450 000 ha)
	Evidence of high satisfaction rates among water users with the performance of the water supply agency(ies);	-	Partial evidence of satisfaction (less than 50% of users satisfied);	High evidence of satisfaction (more than 80% of users satisfied);	Assistance in developing a new institutional measures in irrigation, which will become effective for functioning and operation, including establishment of 150 WUAs	Assistance in developing a new institutional measures in irrigation, which will become effective for functioning and operation, including establishment of 300 WUAs
	Number of WUAs (out of 500) receiving water at the requested level in each period of delivery each year;	-	150 WUAs	300 WUAs		
<b>Outputs</b> <p>1. <i>Policy/Institutional change:</i> DWR reformed to focus on sector policy, strategies, bulk water supply and management, and WUA support functions.</p>	Regulation on DWR's operational mandate and structure is developed, adopted and followed.	DWR acts as a juridical person in accordance with the approved regulation	New regulation on DWR functions and structure is developed, yet to be approved	Appropriate amendments made in accordance with Water Code and DWR fully restructured and downsized	Assistance in drafting and approval of a new Water Code	Assistance in implementing the Water Code
	2. <i>Policy/Institutional change:</i> Enabling legal environment /regulations developed and enforced to transfer irrigation and drainage system ownership and responsibility for O&M transfer to users	National Water Strategy developed and approved	-	Draft National Water Strategy is being developed	National Water Strategy has been developed and approved;	Assistance in developing the National Water Strategy
	Water Code developed and enforced	-	Water Code was approved (2005) and is pending implementation.	Water Code is implemented. DWR acts as major water supplier	Assistance in development and implementation of Water Code	Assistance in Water Code implementation, and to DWR to act as major water supplier
	National Water Council is established and functions.		National Water Council is established (2006)	National Water Council is functional.	Assistance in implementing the National Water Council activities	Assistance in implementing the National Water Council activities
	Law on WUAs developed and effective		Law on WUAs has been developed and	Law on WUAs is implemented	Assistance in development and enacting the Law on WUAs	Assistance in implementing the Law on WUAs

Design Summary	Monitoring indicators	Baseline 2000	Current (end 2006)	Target 2010	Ongoing portfolio contribution by donors	
					2000-2006	2007-2010
			enacted; (2002)		(2002)	
	WUA Standard Charters developed and applied		Standard WUA charters are developed and applied; (2002)	Standard WUA charters are applied;	Assistance in developing the standard WUA charters	Assistance in implementing the standard WUA charters
	WUA operational and budget procedures developed and introduced		WUA operating and budgeting procedures have been developed and implemented (2003)	WUA operating and budgeting procedures are implemented.	Assistance in developing the WUA operating and budgeting procedures	Assistance in implementing the WUA operating and budgeting procedures
3. Policy/Institutional change: Community-based water users associations established to take-over the on-farm and off-farm irrigation systems management	Number of WUAs legally established and operational and area covered by these WUAs;	132 WUAs	436 WUAs commanding 700,000 ha	500 WUAs, commanding 800,000 ha;	304 WUAs legally established with IFIs assistance	368 WUAs legally to be established with IFIs assistance
	Number of WUA federations established and operational and area covered by such federations	-	12 federations, managing 98,000 ha;	42 federations, managing 350,000 ha;	12 federations	42 federations
4. Physical Rehabilitation: Poor performing on-farm and off-farm irrigation systems are rehabilitated and fully meets operational standards	Command area of off-irrigation and drainage systems rehabilitated and modernized; (against the demand in 2000)	-	345 000 ha	435 000 ha	345 000 ha	435 000 ha
Protection of irrigated areas suffering from floods improved	100% of total irrigated land (___ ha) affected by floods is fully protected	-	60 000 ha	60 000 ha	34,000 ha (57%) affected by floods are protected	-
5. O&M funding improved: On -farm and off-farm irrigation maintenance funding is adequate	Number/command area of WUAs where the user fees adequately meet the O&M requirements including depreciation against total irrigated area/total number of WUAs	-	70 WUAs/ 140 000 ha	300 WUAs/ 600 000 ha	Assistance for developing the standard estimates for setting up the tariff levels to fully meet the O&M requirements 70 WUAs/140,000 ha	Assistance for developing the standard estimates for setting up the tariff levels to fully meet the O&M requirements 300 WUAs/600,000 ha
6. Private sector participation facilitation: Sufficient market of local civil contractors emerged to compete for O&M and rehabilitation contracts	Number of qualified local contractors hired under civil work contracts for irrigation construction	-	60	70	60	70
	Number of ITR and workers hired under civil work contracts for irrigation construction	-	3 500	3 700	3 500	3 700