



YEAR TWO ANNUAL REPORT

USAID COMMUNITY AND MUNICIPAL GOVERNANCE INITIATIVE IN THE KYRGYZ REPUBLIC

October 2017 – September 2018

This report was produced for review by the United States Agency for International Development (USAID).
It was prepared by DAI.

Activity Title:	USAID Community and Municipal Governance Initiative in the Kyrgyz Republic
Contract Number:	AID-176-C-16-00002
Sponsoring USAID Office:	Democracy and Governance Office
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DAI will assume acceptance of this report by the United States Agency for International Development within 30 days of submission.

On the cover:

Schoolchildren in Lipenka municipality are preparing to perform a traditional Kyrgyz dance at the local cultural center. USAID CAMI helped Lipenka municipality to revive the center. With support from the project the municipality and local activists launched a public-private partnership to start komuz, guitar, and dance classes.

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ACRONYMS AND ABBREVIATIONS

AA	Ayil Aimak
AK	Ayil Kenesh
AO	Ayil Okmotu
AWU	Association of Water Users
AMEP	Activity Monitoring & Evaluation Plan
CAMI	Community and Municipal Governance Initiative (CAMI) in the Kyrgyz Republic
CDCS	Country Development Cooperation Strategy
CGP	Collaborative Governance Program (USAID)
CPAT	City Performance Assessment Tool
CSOs	Civil Society Organizations
DPI	Development Policy Institute
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
ICUs	Inter-Community Unions
IRI	International Republican Institute
KOICA	Korea International Cooperation Agency
LSG	Local Self-Government
LSGPAT	LSG Performance Assessment Tool
M&E	Monitoring & Evaluation
MIS	Management Information System
MPP	Municipal-Private Partnership
PIRS	Performance Indicator Reference Sheet
PMP	Performance Management Plan
PSI	Public Service Improvement Project
SALSGIR	State Agency of LSG and Inter-Ethnic Relations
SDW	Solid domestic waste
SMEs	Small and medium-sized enterprises
SED	Social and economic development
SEDP	Social and economic development plan
SUPPL	Scaling up the peer-to-peer learning in public finance at the local self-government level in the Kyrgyz Republic project (World Bank)
STS	State Tax Service
TAMIS	Technical and Administrative Management Information System
USAID	United States Agency for International Development
VAP	Strengthening Voice and Accountability of Citizens' Participation and Oversight of Budget Processes Project in the Kyrgyz Republic (Swiss Agency for Development and Cooperation)
VIS	Visible Improvement Strategy

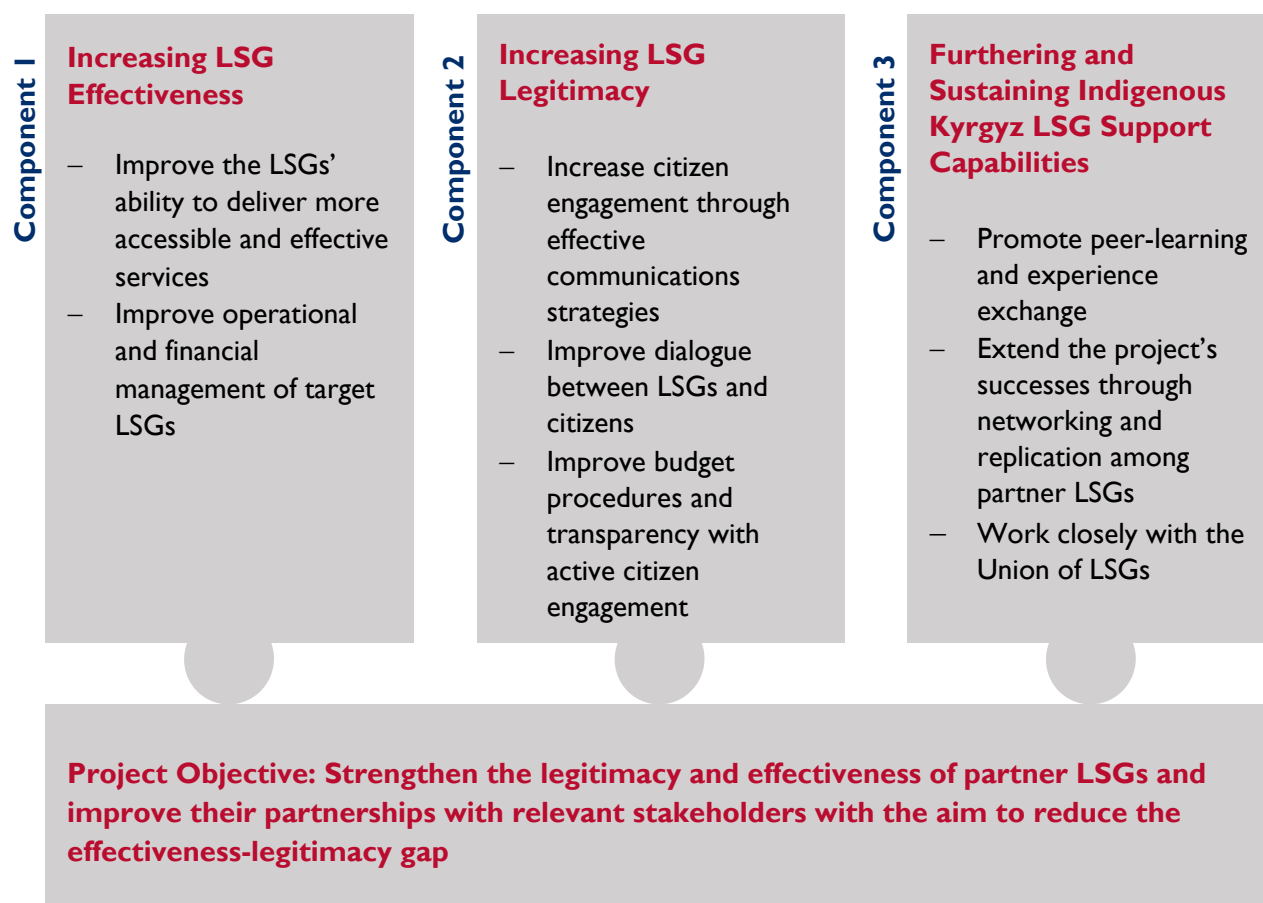
PROJECT DESCRIPTION

USAID's Community and Municipal Governance Initiative (CAMI) supports the Government of the Kyrgyz Republic to strengthen the vital relationship between local governing bodies and the public they serve.

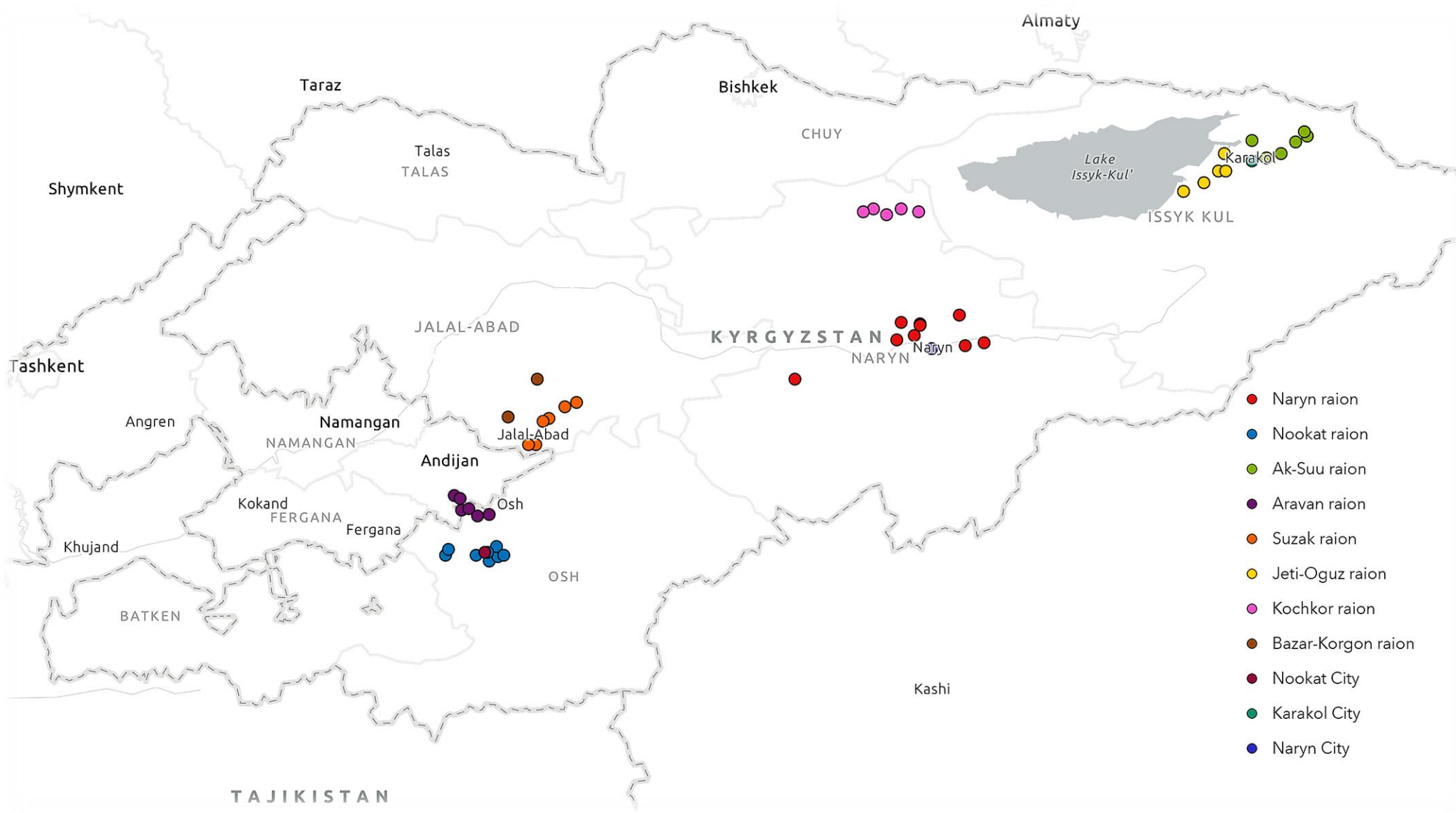
The project focuses on service delivery improvements that are highly visible to the public with immediate positive impacts—such as solid waste management, water, lighting, transportation, and local economic development—while concurrently building the capacity of partner local self-governments (LSGs) across all service areas for which they are responsible. The activity encourages peer learning and bolsters existing mechanisms for local self-governments to engage in a national dialogue.

Project duration: October 2016 to September 2021

Components:



MAP: 50 CAMI PARTNER MUNICIPALITIES



USAID COMMUNITY AND MUNICIPAL GOVERNANCE INITIATIVE IN THE KYRGYZ REPUBLIC (CAMI) STARTED ITS OPERATIONS IN OCTOBER 2016. THIS IS THE YEAR TWO ANNUAL REPORT, COVERING THE PROJECT ACTIVITIES THAT WERE REALIZED IN THE OCTOBER 2017 TO SEPTEMBER 2018 WORK PERIOD.

KEY ACHIEVEMENTS IN YEAR TWO

In Year 2, CAMI broadened its services and products to support its three project outcomes of effectiveness, legitimacy, and sustainability. These efforts allowed CAMI to surpass its Work Plan and AMEP goals and project indicators. In Year 3, CAMI will build on these achievements, assisting as many as 50 targeted (rural and urban) municipalities located in four regions of the Kyrgyz Republic (Issyk-Kul, Jalalabad, Naryn, and Osh). The following is a summary of the significant achievements that were achieved in Year 2:

GENERAL

Strategic Partnerships in Supporting Sustainability, Leverage, and Synergy: CAMI and the GIZ “Fund for Development Projects in Cooperation with Civil Society” signed a Letter of Intent regarding our cooperation on improving municipal services for four pilot LSGs in the Issyk-Kul and Naryn regions. Based on this cooperation, GIZ invested approximately US \$60,000 in drinking water equipment (large measuring and meter devices) for the local population. The drinking water services will be provided by five Rural Drinking Water Users Associations (RDWUAs) in the targeted LSGs. CAMI selected LSGs that demonstrated and implemented the VIS activities related to revenue increases (higher tariffs) or savings from drinking water optimization, based on CAMI-led trainings on management practices, tariff cost calculations, and public hearings for water users. This joint effort promotes close cooperation between local self-government and local community through improving municipality services and optimization of drinking water systems.

Gap Reduction: CAMI reduced the gap between the LSG performance (effectiveness) and the level of citizen satisfaction with the quality of services provided (legitimacy) in all 32 target municipalities. Effectiveness scores increased by an average of **11%** in Round I and **34%** in Round II, and legitimacy scores increased by an average of **5.7%** in Round I and **10%** in Round II. LSG officials and staff, particularly the heads of the LSGs, realized the importance of engaging their citizens. As a result, the partner municipalities show a positive trend, supported by the independent survey firm, in improving the availability of information and interaction with their citizens. This resulted in an average increase of **10.9%** in citizen trust in local government with regard to the provision of efficient services.

Development of Innovative Tools, Products, and Practices: In Year 2, CAMI extended a set of **48** resources, analytical tools, approaches, methodologies, and practices and then successfully implemented these tools for daily operation in its partner LSGs. Using these tools and products, CAMI trained 1,712 representatives of 32 partner LSGs on asset management, tax administration, additional sources of income, additional register of services, cost calculation for services, improved communications with citizens, and introducing a mobile feedback mechanism.

New Product Development: On the request to include oblast status cities (Karakol, Naryn, and Nookat) into the project and peculiarities of city specifics, CAMI promptly developed the City Performance Assessment Tool (CPAT), which focused on effectiveness and legitimacy components. The

CAMI team applied participatory mechanisms, such as conducting workshops and meetings with beneficiaries, stakeholders, partners, and experts, to adjust indicators closer to the city-level activities. CAMI also applied an adaptive management technique.

Adopting a Peer-Learning Approach to Build a Community of Local Experts: In addition to 63 trainings conducted in Year 2, CAMI provided unique opportunities for peer-learning and experience exchange between partner LSGs. In January 2018, the project conducted a series of study tours on the integration of mobile feedback mechanisms via WhatsApp into daily operations of municipalities in the Jalalabad, Issyk-Kul, Naryn and Osh regions. The project selected Jarkyn Jaiikova, the Teploklyuchenka municipality specialist, to share her experience with introducing and promoting the mechanism, as well as with interacting with the citizens of 32 partner LSGs in four regions via WhatsApp. In July 2018, CAMI organized an experience exchange session led by Jigitali Rakhmanov, the Chairman of Naray-Su Rural Public Association of Drinking Water Users in On-Eki-Bel municipality. Jigitali Rakhmanov and Mamazhakyp Tajibayev, the Association's accountant, discussed the importance of participatory engagement of citizens in solving priority issues of AO- in this case, the importance of tariff calculation and installation of water meters in households. They presented with colleagues from the Isanov, Kenesh, Zulpuyev, Kara-Tash, Mirmakhmudov and Jany-Nookat LSGs. In August 2018, CAMI organized a study tour for 32 partner municipalities from the Issyk-Kul, Jalalabad, Naryn, and Osh regions. The event brought together local activists, entrepreneurs, and representatives of municipalities and local councils from partner regions. Participants learned from their peers by visiting CAMI partner municipalities in Issyk-Kul region that have successfully launched priority services for their citizens. These initiatives contributed to creating a community of local leaders and experts that will disseminate best practices and approaches promoted by CAMI.

Clusters - Inter-Community Union - Pooling of Resources: In Year 1 and 2, CAMI selected 32 LSGs with a range of capacities, which provided information on tool-building, comparisons, and the dissemination of various models and best practices between over- and under-achieving municipalities. In addition, the close vicinity of selected municipalities facilitated cooperation amongst LSGs, allowing the creation of inter-community unions (ICUs). These ICUs have been used to disseminate best practices, create an enabling environment in public-private partnerships, and coordinate local service improvement. For instance, CAMI assisted an ICU being shaped by five pilot municipalities in the Nookat raion regarding solid waste management. The Nookat Raion State Administration signed a Memorandum on Cooperation for municipalities to enhance solid waste management services. By engaging Nookat town in Round III activities, CAMI will strengthen the ICU's potential and set suitable conditions for municipal enterprises in solid waste management in Nookat city and the five surrounding LSGs.

Site Selection: In Year 2, CAMI finalized the selection of 18 LSGs for Round III, in addition to the 32 LSGs of Round I and II. Round III includes 15 rural municipalities and three cities – Karakol, Naryn, Nookat - located in four regions of the Kyrgyz Republic (Issyk-Kul, Jalalabad, Naryn, and Osh). With the selection of these final municipalities, CAMI now works with a total of 50 municipalities

OUTCOME I

Innovative Approach to Increasing Own-Source Revenues: USAID's CAMI demonstrated the revenue maximization potential of spring and groundwater resources in the Kara-Tash Aiyl Okmotu in the Nookat raion of Osh region. The spring and groundwater reservoir is a prominent resource with the potential to supply water not only to Kara-Tash, but to other neighboring municipalities of Nookat town, Mirmakhmudov, and Gulistan Ayil Aimaks. It is also pertinent to note that with a population of over 13,000 citizens, Kara-Tash heavily relies on limited government resources. In August 2018, with CAMI's support, the Working Commission of Kara-Tash Ayil Okmotu regulated the collection of royalties for the supply of spring and groundwater from "Nookat vodokanal", a municipal enterprise of

Nookat town. Due to their categorization as “minerals”, spring and groundwater are entitled to charge for royalties under Article 310 of the Kyrgyz Republic Tax Law. Under this same law, up to 50% of these royalties may be transferred to the local budget. To approve the royalty collection, the Working Commission of Kara-Tash Ayil Okmotu submitted documents and requests to the Nookat raion Tax Service, State Committee of Industry, Energy and Use of Minerals of the KR, and “Nookat vodokanal.” As a result, Kara-Tash Ayil Okmotu allocated approximately 100,000 KGS annually from a single consumer, “Nookat vodokanal.” In the future, Kara-Tash Ayil Okmotu plans to implement the same practice with two other consumers.

OUTCOME 2

Management and Control Mechanism of the Budgetary Process by the Local Keneshes and Citizens: USAID’s CAMI introduced and developed a template for the annual report that requires all heads of Ayil Okmotu to submit data on the local budget implementation for that reported year. Since this procedure and reporting system has not yet been utilized at the local level, there is strong potential for it to be standardized and disseminated throughout 453 LSGs in the Kyrgyz Republic. After reaching out to citizens, CAMI incorporated a structure based on participatory mechanisms and focused primarily on the priorities of the residents, which included education, healthcare, culture, and utility services. In this case, budget hearings with critical discussions turned into partnership discussions on the foremost concerns of citizens, instead of merely describing the budget using conventional charts divided only by revenues and expenditures.

OUTCOME 3

Code of Ethics: Jointly with the USAID’s CAMI experts, the Union of LSGs’ experts developed a training module on the Code of Ethics. The Union trained the Yrys Ayil Kenesh deputies on how to use the Code of Ethics in practice and then developed a “standard” Model Code of Ethics. Since such a universal Code of Ethics for LSGs has never been developed and utilized before in Ayil Keneshes, the SALSGIR issued an “Order on the Model Code of Ethics” for all 453 LSGs in the Kyrgyz Republic.

Building the Financial and Management Capacity of the Union of LSGs: USAID’s CAMI helped develop the Financial Sustainability Plan for the Union of LSGs. The mid-term prognosis outlined a realistic road-map for the Union Board and Executive Offices on the calculated revenues gained from the “membership fees” and “consulting fees.” Similarly, the USAID CAMI-supported activity helped to install a monitoring & evaluation system based on performance reviews, rather than on statistical data calculation.

COMMUNICATIONS

Applying Modern Tools in Communications: USAID’s CAMI Communications Team developed professional-level outputs on Facebook and ArcGis, in the form of videos, events, stories, and photos. In addition, CAMI stories were aired on national TV channels during primetime viewing.

The project team has produced engaging and dynamic videos, which focus on the end-users of CAMI-supported services. The project has also employed an approach that prioritizes the interests of project beneficiaries, rather than solely focusing on increasing project visibility. Thus, USAID’s CAMI tailored key messages of self-reliance, local initiatives, and the theme of a “Year of Regional Development” to appeal to its target audience on Facebook. The videos have yielded high engagement, which is evident from the growth in the number of ‘likes’ and ‘followers’ of CAMI’s Facebook page. As of October 28, 2018, CAMI Facebook page has 952 likes and 979 followers. CAMI’s achievements (including the study tour on WhatsApp, Forum of Aimaks, successful launch of a priority service in Naryn region, and the

study tour on best practices) have had repeated coverage from KTRK, Kyrgyzstan's national TV channel, and regional TV channels (such as Issyk-Kul TV and Yntymak TV) in pieces that have highlighted USAID's role. The coverage has also highlighted the importance of self-reliance of LSGs.



LIST OF PRODUCTS DEVELOPED OR IMPROVED WITH CAMI SUPPORT IN YEAR 2

In Year 1 and Year 2, CAMI developed 23 products and updated 48 other products. In two years of implementation, the project designed a total of 71 products.



Political Economy Analysis at the national level depicts challenges and opportunities in increasing effectiveness and legitimacy of local self-governments. Its findings and recommendations were partially incorporated into the Local Self-Governance Development State Program for 2018 to 2022.

Political Economy Analysis at the local level focuses on topics of the five categories of local self-governance and interaction between state level stakeholders with LSGs. It proposes recommendations for project strategy in the short- and medium - term.



Regulation for Cost-Calculation of Solid Waste Collection and Removal defines procedures and detailed formulas for calculating the costs of collecting, removing, and storing waste on municipal (ayil aimak) territory. Tariffs are calculated against the standard waste accumulation and generation rates and the actual expenditures that are incurred by the service provider, as well as with due consideration of the threshold's break-even level. Tariffs are approved by AK decision, and they shall apply to all service providers regardless of their form of incorporation.

City Performance Appraisal Tool (CPAT) is the cornerstone monitoring and analytical tool measuring performance of urban municipalities against their effectiveness in service delivery and legitimacy by citizens' trust and perceptions on the quality of service delivery. The CPAT encompasses 18 indicators in five broad categories of municipal governance: service delivery, finance and revenue, internal operations, strategic-economic development plan, and LSG-citizen interaction.



Standard Code of Ethics presents a set of moral principles and rules of conduct complementary for increasing efficiency of Ayil Kenesh deputies. The Standard draws on the current legal and normative basis of the Kyrgyz Republic, international best practices and field research involving national, local, and international stakeholders. AK approves the Standard by majority vote to institutionalize it.

Regulation on Asset Management establishes the procedures and conditions for management of municipal property. It provides LSGs with property rights given in legal and normative cases of the Kyrgyz Republic and lease options for objects under municipal ownership, and it describes regulations for their inventory and maintenance.



Handbook on Management of Local Services targets employees of LSGs and specialized enterprises, along with institutions involved in the organization of services at the city and ayil aymak levels. The manual is based on the regulatory legal acts of the Kyrgyz Republic, methodological documents approved by the relevant government bodies, and the practical experience obtained during the project cycle of CAMI. It provides tools and guidance in providing priority local services in an efficient and timely manner.

16 Visible Improvement Strategies for Round II LSGs allow local self-governments to organize service delivery in the most efficient and cost-effective manner to meet communities' requests and expectations. Developed in a participatory manner involving all community stakeholders, the Strategy includes a technical analysis of gaps, targets, and necessary resources for launching the priority services.

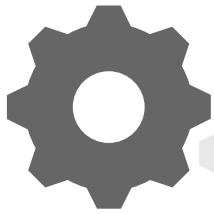


20 Communications Strategies determine communications goals, target audiences, communications channels, and tasks and activities from 2018 to 2020. The strategies include detailed action plans and strategic solutions needed to improve interaction of LSGs with citizens, and they engage citizens in the decision-making process. The Strategies are aligned with the Visible Improvement Strategies and updated citizen charter of each LSG.

CAMI assisted in developing the five **internal administrative documents integral to ensuring the financial sustainability of the Union of LSGs in the Kyrgyz Republic:**

- Regulation on the Service Provision to the Members of the Union;
- Regulation on the Interaction of the Union with its Members;
- Regulation on the Procurement of Goods, Works and Services;
- Regulation on Monitoring and Evaluation;
- Detailed Job descriptions of the Staff of the Union's Directorate.





LIST OF MECHANISMS FOR EXTERNAL OVERSIGHT OF PUBLIC RESOURCES SUPPORTED BY CAMI IN YEAR 2

In Year 2, CAMI created four mechanisms and updated two other mechanisms to involve citizens in the process of monitoring the quality of service delivery and engage citizens in the decision-making process.



Joint Monitoring and Evaluation Groups are designed to ensure monitoring and evaluation of services by all stakeholders, including local self-governments, AK deputies, citizens, and minority groups. The Groups are established by the decree of AK to monitor the progress and implementation of service delivery by the service provider.



Report by the Head of Ayil Okmotu on Local Budget Execution for the Previous Year for Submission to Ayil Kenesh is a template of the annual report on expenditures and revenues of the local budget. The Head of Ayil Okmotu completes the report on budget execution and submits it for review by the Ayil Kenesh to ensure transparent and fair use of resources. Since this procedure and reporting has not yet been utilized at the local level, there is a strong potential for it to be standardized and disseminated throughout 453 LSGs in the Kyrgyz Republic. After reaching out to citizens, USAID's CAMI incorporated a structure based on participatory mechanisms and focused primarily on the priorities of the residents, which included education, healthcare, culture, and utility services.

BASELINE/PROGRESS DATA COLLECTION AND EFFECTIVENESS-LEGITIMACY GAP ANALYSIS IN YEAR 2

Between the first Performance Gap Analysis conducted in 2017 and the second Performance Progress analysis conducted in August of 2018, CAMI has recorded decreases in the gap between effectiveness and legitimacy in every LSG of Round I. The average gap for the 16 pilot LSGs of Round I has reduced from 85.4 to 72.2. At the same time, all pilot LSGs of Round II also have managed to reduce the gap from 111.5 in the Baseline (October 2017) to 93.8 in the Performance Progress analysis (August 2018). Overall, both rounds demonstrated a dramatic improvement in the LSGPAT scores.

This improvement can be attributed to increased effectiveness scores, which saw an average of 11.4% improvement across all LSGs of Round I and an average 33.9% improvement across all LSGs of Round II. While legitimacy scores also improved, these improvements were more moderate, as seen in the average 5.7% improvement across all LSGs of Round I and average 10.1% improvement across all LSGs of Round II. This can be explained by the fact that improvements in effectiveness were supported by CAMI interventions through the VIS process. Improving the citizens' perceptions, however, is a more complicated and long-term process.

Generally, LSGs of Round II that scored the lowest in effectiveness in the 2017 baseline assessment saw the largest increase in effectiveness scores in the 2018 performance progress study. For example, Isanov and Zulpuev increased their effectiveness scores by 27 and 26 points, respectively. These two LSGs were also among five LSGs to score less than 35 points on the initial baseline study (33 and 31, respectively). In general, LSGs that scored higher on the baseline (above 40) had more modest improvements in effectiveness, with an average increase in of 9.9 points. Perhaps unsurprisingly, the project has found that it is harder to increase the effectiveness of LSGs that are already performing in the top 40% of LSGs. However, the dramatic increase in effectiveness scores in low-performing baseline LSGs suggests that the CAMI project has been very effective in jumpstarting better service delivery and improving effectiveness in these municipalities.

Many of the most dramatic increases in effectiveness indicators correspond to the CAMI project's facilitation of the VIS process across all 32 pilot LSGs. While all indicator categories saw increases from the baseline to the performance progress report, the largest increase overall was in the group of indicators measuring service delivery in Round I LSG activities. The average scores under this category of indicators increased from 3.0 to 3.7 points, with the largest increases occurring in Indicator SD5 ("Service provider performance and transparency"). Improvements in this category (and in this indicator in particular) make sense given the project activities and priorities in Year 2. For example, the developed and approved standards, cost calculation and tariffs, and launch of new services correspond to Indicator SD5's improvements by increasing the sustainability of service providers. Similarly, impressive increases in the effectiveness of LC3, which measured citizen participation in the LSG budget process, likely correspond to the public dialogues, including public budget hearings, conducted in July and August across all 32 partner LSGs.

In general, all regions show that positive trends happened as a result of CAMI's technical assistance in both effectiveness and legitimacy. Moreover, all regions have managed to substantially improve their effectiveness scores, while their legitimacy scores have changed to a lesser degree. In all regions, effectiveness scores are higher than legitimacy scores across all stages of surveys. CAMI's Year 3 activities should help address this gap between effectiveness and legitimacy. For example, widespread use of the Mobile Feedback Mechanism, which already exists in 15 LSGs, is designed to increase citizens' perceptions of their involvement in service delivery and budget monitoring. Additionally, the LSG communications strategies, which currently exists in 24 LSGs, helps share improvements in effectiveness

across communities and will, in turn, lead to an increase in perceptions of effectiveness among municipality citizens.

While many of the increases in effectiveness performance can be directly linked to CAMI activities, other increases appear to be indirectly connected to CAMI activities. For example, while the CAMI project did not invest as heavily in the Internal Operations category of indicators during Year 1, scores on these indicators still increased dramatically between the progress assessment in 2017 and follow-up survey in 2018. The average score across all LSGs for this category of indicators increased from 3.5 to 3.8 points. The LSGs of Round II saw an even higher increase from 2.6 to 3.2 points. Such increases could suggest that CAMI's interventions are having a broader affect across indicators by improving overall LSG governance and policymaking. Furthermore, the LSGPAT tool itself has been used by municipal leaders to inform LSGs of their performance and help them set benchmarks for future progress.

In general, the results of the Performance Progress assessment correspond to CAMI's priorities and interventions in Year 2. CAMI's LSG-specific, data-driven approach proved its efficiency and is fully in line with the CAMI project's overarching goal to reduce the gap in each of its targeted LSGs.



Drinking water is a precious resource in Southern Kyrgyzstan

OUTCOME I HIGHLIGHT: ROYALTY PAYMENT INCREASES LOCAL BUDGET OF KARA-TASH AYIL OKMOTU

BACKGROUND SUMMARY: Kara-Tash is a densely populated remote aimak located in the Nookat raion of Osh region. With population of over 13,000 people and 2,523 households, the aimak depends entirely on limited government incentives. Agriculture is the main source of income for local citizens. There are few small enterprises, but overall the business sector is underdeveloped in the aimak. The local self-government struggles to accommodate the limited funds of the local budget to improve the quality of local services. Therefore, there is a significant need for additional revenue sources for the local budget.

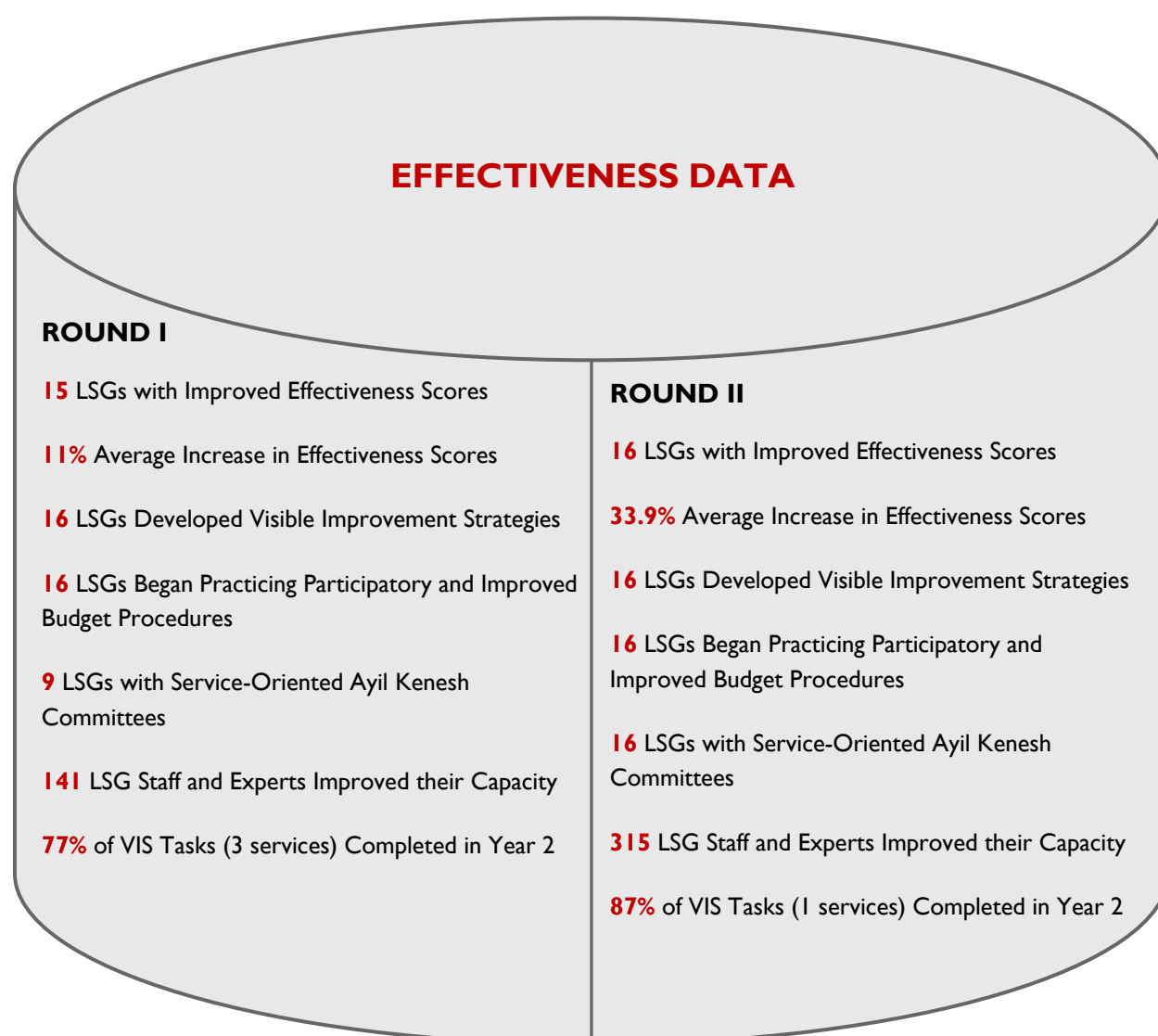
SOLVING THE PROBLEM: Since the beginning of 2018, Kara-Tash has partnered with USAID's CAMI to provide efficient local services to citizens. Under this partnership, Ayil Okmotu organized a Working Commission consisting of active citizens and local state officials. The Working Commission attended trainings and workshops provided by CAMI, one of which was dedicated to identifying the in-place sources of revenue to the local budget. The Working Commission then identified a way to collect royalty for natural resources. One of the prominent natural resources of the aimak is groundwater that is distinguished for its taste and purity. Due to its high quality, Nookat town and the neighboring Mirmakhmudov and Gulistan Ayil Aimaks drink water from the springs of Kara-Tash. The water is provided on a free-of-charge basis. Kara-Tash Ayil Okmotu advocated for the collection of royalty for the supply of groundwater.

The groundwater falls under the category of “minerals”, which entitles it to charge for royalties in accordance to national legal regulations and norms. The Kyrgyz Republic Tax Law under Article 310 allows up to 50% of these received royalties to be transferred to the local budget. To warrant the royalty collection, the Working Commission of Kara-Tash Ayil Okmotu submitted supporting documents and requests to the Nookat raion Tax Service, State Committee of Industry, Energy and Use of Minerals of the KR, and “Nookat vodokanal”. The State Committee of Industry, Energy and Use of Minerals of the Kyrgyz Republic approved the matter and allowed Kara-Tash to proceed with contracting water consumers. In turn, “Nookat vodokanal” agreed to pay the royalty from September 11, 2018.

FIRST STEPS TO SELF-SUSTAINABILITY: Thanks to the local initiative of the Working Commission members and support from USAID’s CAMI experts, Kara-Tash Ayil Okmotu expects to receive around 100,000 KGS annually from a single consumer – the “Nookat vodokanal” municipal enterprise of Nookat town. Kara-Tash Ayil Okmotu plans to negotiate with two other consumers – Mirmakhmudov and Gulistan Ayil Aimaks – over the collection of royalties for groundwater. The additional source of income will allow Kara-Tash Ayil Okmotu to improve the quality of local services and solve more issues of local importance.

OUTCOME I: INCREASING LSG EFFECTIVENESS

USAID CAMI project activities in Year 2 were targeted at increasing the effectiveness of 31 LSGs of Round I and Round II. CAMI assisted selected partner LSGs with improving priority services that were selected by the local communities and developed the Visible Improvement Strategies (VIS). CAMI worked with LSGs on improving effectiveness in the following areas: 1) service delivery management; 2) municipal operations; 3) financial management; 4) local economic development; and 5) citizen-LSG interaction. CAMI supported LSGs with improving such services as solid waste management, improving access to drinking water, street lighting in villages, organizing extracurricular activities for schoolchildren and so on. LSGs achieved improvements in these services with support from CAMI through a series of trainings on planning, budgeting, service delivery and oversight. These interventions have resulted in an increase of effectiveness scores in 31 LSGs (15 LSGs-Round I; 16 LSGs-Round II) in Year 2 (indicator I.1). The Round I LSGs improved their effectiveness scores by 11.4%, the Round II LSGs exceeded the results of Round I and reached 33.9%.



1.1.1a Service Diagnostic for a Visible Improvement Strategy (VIS)

Service diagnostic is a process during which citizens together with the relevant LSG staff identify the most critical services, which should be included into the list of priorities for their delivery improvement. In Year 2, CAMI project conducted 32 focus group discussions in Round II LSGs to identify those services.

Focus group discussions consisted of two parts:

1. Discussion with citizens and CSOs on AO service delivery process and prioritization of services for further improvement;
2. Discussion with AO staff and AK members on priority issues of LSG internal operation.

LSGs prioritized critical services with participation of citizens and representatives of local communities that voiced their needs during public hearings, focus group discussions, village meetings and open AK sessions.

1.1.1b Assist LSGs to Complete Their Visible Improvement Strategy (VIS)

In Year 2, all 16 Round II LSGs developed their VIS and obtained AK approval. CAMI supported the LSG planning by aligning the VIS with existing planning requirements, especially the annual socio-economic development plan. In Year 2, VIS focused on priority services for citizens and on issues related to the AO operational management. CAMI involved citizens in all stages of VIS development and conducted public hearings to present final VIS in each LSG. Thanks to the CAMI trainings, contests for selection of service providers, procurement tenders, discussion of service delivery improvement with AK deputies became the regular obligatory activities for all partner LSGs. In Year 2, all LSGs of Round I and Round II improved their management and internal operational procedures.

1.1.2a Build Core Capacities for Visible Service Performance

In Year 2, CAMI conducted 2 TOTs for the newly recruited CAMI Field Officers on the updated VIS methodology and management of municipal assets and municipal-private partnership.

CAMI conducted 36 cluster trainings in Round II LSGs on the following topics:

- VIS Methodology (3 cluster trainings);
- Organization of public budget hearings in LSGs (2 cluster trainings);
- Additional registers and development of standards for services (4 cluster trainings);
- Cost calculation of services (4 cluster trainings);
- Tax administration for LSGs (2 cluster trainings);
- Management of municipal assets and municipal-private partnership (4 cluster trainings);
- Conducting of tenders and contracting (procurement) (4 cluster trainings);
- Municipal enterprise management (4 cluster trainings);
- Drinking water management (4 cluster trainings);
- Joint monitoring and evaluation groups (5 cluster trainings).

Additionally, CAMI provided assistance to the Association of Drinking Water Users with the preparation of business development plans. CAMI helped the municipal enterprises to develop business sustainability plans.

1.1.2b Roaming Technical Specialists Assist LSGs in Planning, Budgeting, Service Management, and Oversight Related to Selected Service

In addition to trainings, CAMI provided regular coaching and consultations to all partner LSGs on further implementation of the developed VIS. The Working Commissions and LSG officials identified the problems related to service delivery and CAMI consultants provided possible solutions. CAMI provided support to LSGs with developing financial estimates, service coverage and performance targets, planning capital investments and human resources, and other capacity building needs to deliver improved services. More importantly, CAMI helped to elaborate additional registers of services, identify procedures of cost calculation, develop tariffs for services, introduce regulation on M&E and procedures of tenders, and update existing investment plans of LSGs.

1.3.1 Maximize Own Source Revenue

In Year 2, CAMI explored different options to help partner LSGs maximize their own source revenues and increase local budget. In addition to trainings on asset management and municipal-private partnerships, CAMI experts provided regular coaching on asset management to partner LSGs. Bringing back the ownership over municipal property would allow LSGs to increase income in the local budgets.

In Year 2, CAMI helped Kara-Tash Ayil Okmotu to identify an additional source of income by collecting royalties for groundwater. Please refer to **pp. 13-14** to read more about this initiative.

CAMI cooperated with State Tax Service to conduct trainings on tax administration. Thanks to this training Mirmakhmudov Ayil Okmotu acted upon the normative and legislative acts of the Kyrgyz Republic to transfer the tax administration functions to the municipality. In the following months the municipality concluded an agreement on transferring the tax administration to the municipality with the Nookat Raion Department of the State Tax Service. With CAMI's support the municipality entered into a mutually beneficial agreement that will allow Mirmakhmudov Ayil Okmotu to expand significantly the collection of taxes from local enterprises. The tax specialists of the municipality have improved their knowledge of local business and therefore can control better the collection of taxes.



Citizens in Teploklyuchenka display WhatsApp information campaign materials

OUTCOME II HIGHLIGHT: CAMI PARTNER MUNICIPALITIES USE WHATSAPP TO IMPROVE COMMUNICATION WITH CITIZENS

CAMI works closely with citizens and LSGs to encourage more citizen engagement with the LSG leadership and help the LSGs respond better to citizen needs. In Year I, the project explored sustainable practices in citizen outreach. The project piloted the mobile feedback mechanism using a popular messaging application WhatsApp. A research on media literacy in the Kyrgyz Republic conducted in 2018 by the Institute of Media Policy¹ showed that 79.8% of urban population and 63.1% of rural population use WhatsApp, making this mechanism even more relevant. The mechanism allows residents to send feedback on LSG activities to the AO leadership in real-time.

Upon successful piloting of the mechanism in Teploklyuchenka in Year I, CAMI organized a study tours in all four pilot regions to facilitate experience exchange. CAMI widely disseminated information about

¹ The research was conducted with the financial support of Soros Foundation Kyrgyzstan. Link to the report (in Russian): <http://soros.kg/wp-content/uploads/2018/03/Otchet-po-itogam-issledovaniya-mediagramotnosti-v-KR.pdf>

the mobile feedback mechanism via WhatsApp during events and in project publications. Thus, partner LSGs were aware of this mechanism and demonstrated keen interest in using it in their daily work.

In Year 2, CAMI supported introduction of the mobile feedback mechanism via WhatsApp in 13 partner LSGs in Issyk-Kul, Naryn and Osh regions. CAMI conducted practical trainings on the introduction of mechanism and provided laptops and smartphones for operational use. Here are four examples of successful introduction of the mechanism in CAMI partner LSGs:

1. MOBILE FEEDBACK MECHANISM AS AN INTEGRAL PART OF EFFECTIVE COMMUNICATION WITH CITIZENS

Out of 13 LSGs Kosh-Dobo municipality in the Naryn region demonstrated the highest results in integrating the mechanism in their daily work. Kosh-Dobo introduced the mechanism in August 2018. To date, AO has registered 387 contacts and received 41 requests from citizens. AO has placed advertisements with their WhatsApp number in different locations, including shops and markets. Through an ad in the local shop four internal migrants from Osh, southern Kyrgyzstan, were able to contact AO and promptly receive information on the registration at the place of residence. The Head of Kosh-Dobo AO Temirbolot Abykeev emphasized the importance of the mechanism by saying

I believe that WhatsApp mechanism and Communications Strategy should become an integral part of AO's communication with citizens. We live in a world, where information technologies are developing rapidly. We believe this mechanism will help improve our interaction with citizens.

2. LSGS USE THEIR OWN RESOURCES TO INTRODUCE THE MECHANISM

CAMI provided laptops and smartphones to 13 LSGs for operational use in introducing the mobile feedback mechanism. However, other LSGs demonstrated keen interest in using the mechanism. For instance, two partner LSGs – Boz-Uchuk and Kerege-Tash – began introducing the mechanism on a voluntary basis using their own resources. CAMI is providing only guidelines and consultations to support their initiative, whereas Boz-Uchuk and Kerege-Tash procured necessary equipment and created Working Groups.

3. TEPLOKLYUCHENKA SPREADS THE WORD ABOUT WHATSAPP TO OTHER LSGS

Teploklyuchenka municipality was the first to pilot the mechanism. Since the official launch of mechanism in November 2016, Teploklyuchenka grew its contact list to 480 citizens, and registered 278 inquiries from citizens. CAMI supported Teploklyuchenka in conducting an information campaign and promoted the WhatsApp number among citizens. The main topics of citizens' interest included garbage collection, requests for material assistance, land issues, water supply, and street lighting. Teploklyuchenka registered all inquiries in a journal by indicating the date of inquiry, the text of inquiry, specific questions, cell phone number, and citizen's name. Additionally, Teploklyuchenka conducted online surveys on the quality of services via Survey Monkey. In Year 2, Teploklyuchenka mobile mechanism specialist Jarkynai Amanturova shared her community's experience introducing and promoting the mechanism and interacting with the citizens via WhatsApp, as well as lessons learned and next steps to strengthen the mechanism with CAMI partner LSGs and other international partners. In July 2018, GIZ approached Jarkynai to present Teploklyuchenka's experience of improving communication with citizens. She talked about CAMI support in launching WhatsApp and developing an effective Communications Strategy. Jarkynai also advised to open a common WhatsApp group for all CAMI partner LSGs that are introducing the WhatsApp mechanism. This platform helps LSGs to exchange experience, facilitate discussion, and share visuals.

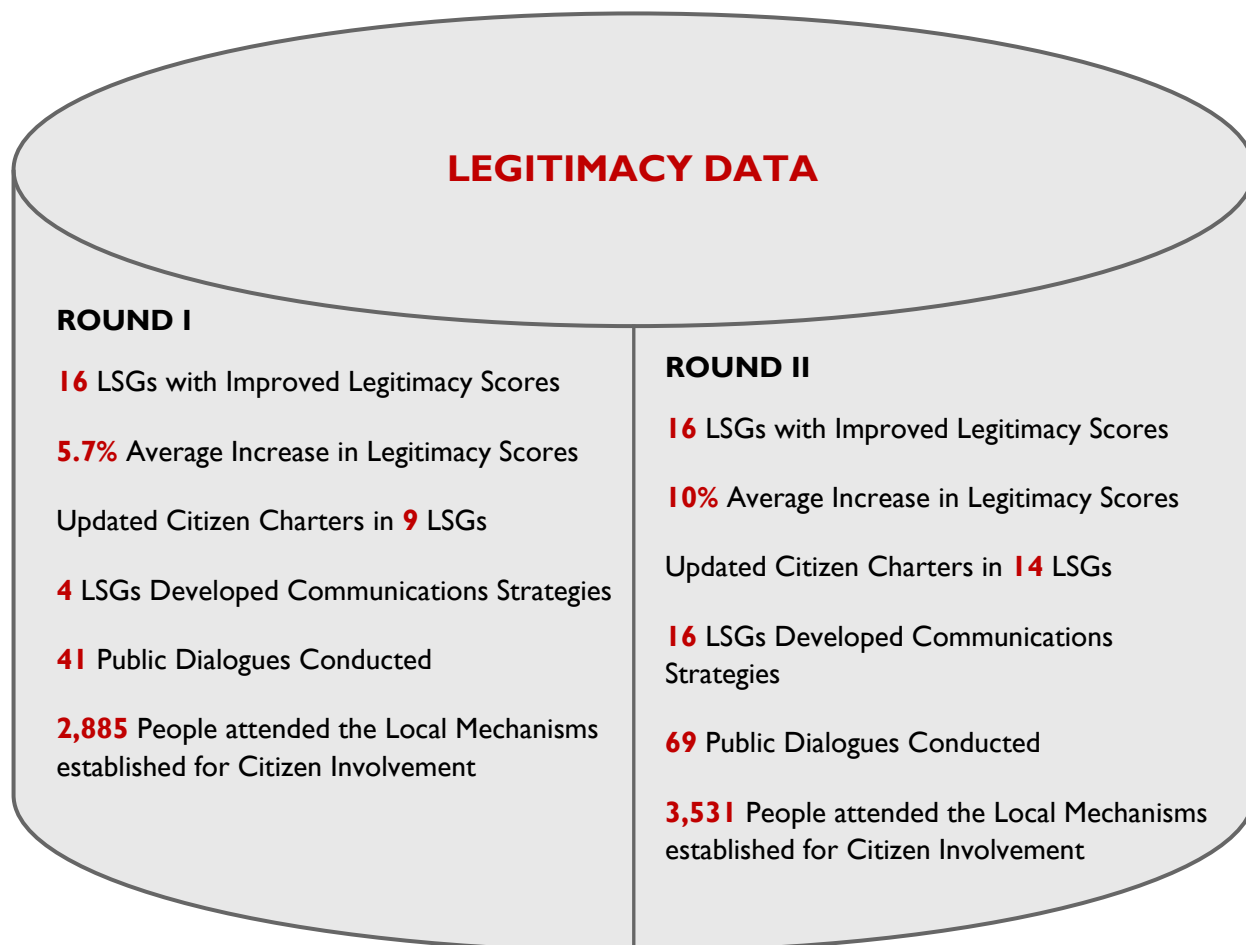
4. KULATOV AYIL OKMOTU USES ELECTRONIC POSTERS TO ATTRACT A LARGER AUDIENCE

Timur Eshmatov, the economist at Kulatov Ayil Okmotu, developed eleven electronic posters in Kyrgyz language to provide information for citizens in a visually appealing design. The posters contain tips and advice on how to collect necessary documents for passport renewal, receipt of social fees and so on. The posters also promote Kulatov Ayil Okmotu's WhatsApp number. Citizens can easily share these visuals with each other via WhatsApp and other messaging applications. Timur Eshmatov also designed a poster of the missing cow to attract people's attention and help find the cow's owner.



OUTCOME II: INCREASING LSG LEGITIMACY

In Year 2, CAMI strengthened mechanisms and developed new products to improve LSG-citizen interaction and foster citizen participation in the decision-making process. Activities under Outcome II included organizing public hearings; developing VIS Working Commissions to ensure that vulnerable populations have a voice in the VIS process; updating the citizen charters; integrating mobile citizen feedback mechanism via WhatsApp and developing effective Communications Strategies. These interventions have resulted in an increase of legitimacy scores in Round I LSGs by 5.7% and in Round II LSGs by 10% (indicator 2.2). In total, all 32 partner LSGs have increased their legitimacy scores (indicator 2.1).



2.1.1a Institutionalize Stakeholder Engagement in the Development of Visible Improvement Strategies (VIS) and Service Improvement Activities

In Year 2, CAMI conducted 32 focus groups to select priority services and helped to organize 16 Working Commissions in all Round II LSGs. 176 people became members of the Working Commissions, 35% of them are representatives of civil society and village activists. These Working Commissions identified 78 priority services, 16 of which were launched. Working Commission members acquired new skills and expertise to improve the quality of service delivery to citizens. CAMI put efforts to improve the capacity of Working Commission members to ensure that they can adopt the principles, methods and approaches of service prioritization in their work.

2.1.1b Institutionalize Stakeholder Engagement in Planning, Resourcing, Service Managing, and Oversight, as well as Accountability Mechanisms for New Revenue

In Year 1, CAMI introduced a new approach on organizing public hearings on budget that emphasized the roles and responsibilities of citizens in paying taxes and engaging in the decision-making processes. In Year 2, CAMI trained Round II LSGs on applying this approach during public hearings on budget. The project involved a total of 76 participants, including Heads of AOs, AK Chairmen of budget committees, Executive Secretaries, Heads of financial and economic departments of the AO and representatives of the business sector. This is a cross-cutting activity with Outcome One. Thus, CAMI also trained 55 deputies of Ayil Keneshes on local budget preparation and their role in resource management.

CAMI also introduced a new mechanism – report by the Head of Ayil Okmotu on local budget execution. This template of the annual report on expenditures and revenues of the local budget is prepared by the Head of Ayil Okmotu and submitted for review by the Ayil Kenesh to ensure transparent and fair use of resources. CAMI will disseminate this reporting form at budget hearings in Year 3.

2.1.1c Assist LSGs to Update Citizen Charters to Insert Decisions Concerning Public Service Delivery

In Year 2, CAMI helped to update 23 citizen charters to comply with the Standard Charter approved by SALSIGIR. The updated citizen charters reflect the priority needs of citizens, including access to drinking and irrigation water, issues of damage to the agricultural crops caused by cattle, landscaping, gardening, building irrigation ditches, garbage collection and removal, and so on. More importantly, the updated charters emphasize the rights of citizens to **participate in the decision-making process, budget process, public resources management, and management of local issues**. The charters were updated in a transparent and participatory way with respect to the principles of good governance and rule of law. CAMI involved citizens in the decision-making process and provided free access to information to all stakeholders involved in the process.

In Year 2, CAMI also updated part 6A of the Citizen Charter Handbook developed in Year 1 to reflect recent changes in the legislation.

2.1.2 Support to Local Councils on Conducting Public Hearings, Including Engaging Women and Minorities

Public hearings contribute to improved citizens' trust in the performance of the AO. Important local issues such as updates on taxes, fees, distribution of local budget, service delivery and other issues are discussed at the hearings enabling participants to stay informed and get involved in the decision-making process. In Year 2, CAMI organized a total of **110** public hearings for **6,416** participants. Public hearings covered the following topics:

- Public budget hearings;
- Public hearings on Visible Improvement Strategies;
- Hearings on citizen charters;
- Hearings on cost calculation of tariffs on services.

2.1.2b Conduct Trainings on Combating and Preventing Corruption to LSGs, Representatives of Working Commissions

In Year 2, CAMI conducted trainings on good governance for 120 people, including AO heads, AK chairmen and deputies, AO executive secretaries, heads of financial and economic departments of Ayil Okmotu, members of Working Commissions and representatives of local civil society organizations in Round I and Round II LSGs. Trainings introduced good governance principles and review the duties and responsibilities of the inspecting bodies. Trainings covered the following topics:

- Legal framework on good governance;
- The concept of good governance;
- Developing good governance action plan;
- Legal framework on inspection of LSGs by the supervisory and tax agencies;
- List of authorized state bodies entitled to conduct inspections of the LSGs activities;
- Duties and responsibilities of inspecting agencies.

Training participants developed two integral tools - the Action Plan on Implementation of the Good Governance Policy and the List of Corruption Risks. Based on the findings from focus group discussions and preliminary desk research, CAMI developed a Good Governance Report in Year 2.

2.1.3 Support to Citizen Monitoring; Launch Mobile Citizen Feedback Mechanism

In Year 2, CAMI supported introduction of mobile feedback mechanism via WhatsApp in 13 partner LSGs in the Issyk-Kul, Naryn and Osh regions. CAMI conducted practical trainings on the introduction of mechanism and provided laptops and smartphones for operational use.

Out of 13 LSGs Kosh-Dobo AO demonstrates the highest results in integrating the mechanism in their daily work. Kosh-Dobo introduced the mechanism in August 2018. To date, AO has registered 387 contacts and received 41 requests from citizens. AO has placed advertisements with their WhatsApp number in different locations, including shops and markets. Please refer to **pp. 18-20** for more information on the successful introduction of the mechanism in CAMI partner LSGs.

2.2.1 Assess Community Expectation Gap

In Year 2, CAMI conducted performance progress survey for Round I and Round II LSGs and baseline survey for newly selected Round III LSGs. Please see **pp. 11-12** for a full explanation of the survey findings.

2.2.2 Strengthen LSG Public Outreach, “Proactive Disclosure” of Information, and Partnerships with CSOs to Help Shrink Community Expectation Gap

In Year 2, CAMI worked with 20 LSGs in southern and northern Kyrgyzstan to improve their capacity to effectively communicate with citizens. CAMI organized trainings on effective communications and public outreach tools and equipped LSG representatives with skills necessary to develop effective communication strategies. Trainees learned about the various communication channels, the importance of building effective communication with citizens and local media and received guidelines on developing detailed step-by-step communication plans. CAMI helped to develop effective communications strategies for 20 LSGs. The previously developed CAMI products – VIS, citizen charters, the concept of WhatsApp feedback mechanism – were integrated in the Communications Strategies.



The study tour contributed to building friendships across the LSGs and creating a community of local leaders and experts that will disseminate CAMI's best practices.

OUTCOME III HIGHLIGHT: A UNIQUE OPPORTUNITY FOR EXPERIENCE EXCHANGE BETWEEN MUNICIPALITIES IN THE KYRGYZ REPUBLIC

In addition to **63** trainings conducted in Year 2, CAMI provided unique opportunities for peer-learning and experience exchange between partner LSGs. In August 2018, the project organized a study tour for 32 partner municipalities from the Issyk-Kul, Jalalabad, Naryn, and Osh regions. The event brought together local activists, entrepreneurs, and representatives of municipalities and local councils from partner regions. Participants learned from their peers by visiting CAMI partner municipalities in the Issyk-Kul region that have successfully launched priority services for their citizens. During the first day, participants visited the Teploklyuchenka municipality to learn about veterinary services and effective interactions between the municipality and citizens via WhatsApp mobile app, and they attended a concert organized by young local talents from dance and music clubs at Lipenka cultural center and studied how Jeti-Oguz municipality launched a municipal-private partnership to run sports clubs at a newly built sports center. During the second day, representatives of the Darkhan municipality presented their journey on reviving the cultural center by opening dance and music clubs for adults and schoolchildren; the Orgochor municipality reflected on the importance of proper veterinary care and its impact on citizens' health that contributed to an effective partnership between the municipality and private veterinarians; and the Ak-Dobo municipality shared its approach to ensuring an uninterrupted provision of clean drinking water to its citizens.

The study tour provided a unique opportunity for participants to build their network, exchange experiences, and examine various practical ways of launching effective and sustainable municipal services. The event contributed to creating a community of local leaders and experts that will disseminate best practices and approaches promoted by CAMI.

Sarygul Kaziev, a local activist and deputy of the local council in the Kosh-Dobo municipality of the Kochkor raion in Naryn region, aptly summarized the results of the study tour by saying

I want to highlight three main things about this study tour – the support of CAMI project, our friendship and our hope! Now, first of all, I am grateful to CAMI Project for gathering us here in Issyk-Kul and bringing the representatives from remote regions closer to us during this event. Second of all, I believe we became good friends during these two days and now have our own network. Third of all, I now have hope. As the youngest participant of this study tour, I had high expectations to learn something useful during this event. I have learned so much by visiting six municipalities and acquiring important information. I hope to use this knowledge to unite young people and elderly in my village and apply all innovative approaches that I learned about to my work.

OUTCOME III: FURTHERING INDIGENOUS KYRGYZSTANI LSG SUPPORT CAPABILITIES

In Year 2, CAMI continued to work closely with key local, national, and international stakeholders via the CAMI Coordination Council, regular meetings and roundtable engagements with stakeholders, study tours, and other activities. CAMI cooperated with the Union of LSGs, which was viewed as one of the partners needed to ensure project sustainability. In Years 1 and 2, CAMI developed 23 products and improved 48 products, services, and practices that could be used and/or adapted beyond the end of this project.

3.1.1 Improve Coordination through CAMI-Supported Mechanisms

In Year 2, CAMI conducted two Coordination Council meetings on March 1 and August 30, 2018. Representatives of local state counterparts, non-governmental institutions, the international donor community, LSGs, and local experts took part in these meetings. Coordination Council members discussed new CAMI/partner LSGs' products, such as, the LSGPAT, VIS, Communications Strategies and the mobile feedback mechanism via WhatsApp. Participants also reviewed updated citizen charters, updated model of budget hearings and the Code of Ethics for deputies of Ayil Keneshes. Additionally, CAMI presented its planned activities for Year 3.

3.2.1. Introduce New and Expanded Usage of Existing Products, Services, and Practices

In Year 2, CAMI organized four best practice roundtables with key national and local partners and stakeholders, CSOs and local activists. These roundtables offered an opportunity for LSG participants to provide feedback, engage in discussion, and solicit advice from experts. These discussions were designed to promote peer-learning, experience exchange, and inter-municipal cooperation. At these roundtables, CAMI partner LSGs presented new practices on improving service delivery, introducing innovative mechanisms for interacting with citizens, and expertise provided by CAMI.

During these four roundtables CAMI presented the following best practices:

- Organization of veterinary service for sheep disinfection facility in Teploklyuchenka;
- Organization of sports clubs (volleyball, basketball, soccer, wrestling, taekwondo, fitness, and dancing) for rural youth in in Jeti-Oguz;
- Best practice of using AIMAK Management Information System to improve Kulundu municipality's daily work;
- Introduction of mobile feedback mechanism via WhatsApp in Teploklyuchenka;
- The process of updating the citizen charter in Mogol;
- Findings of Political Economy Analysis (PEA) and its applicability for the development of the LSG Development State Program for 2018-2022;
- Draft Code of Ethics for Ayil Kenesh deputies.

Code of Ethics for Ayil Kenesh Deputies

In Year 2, CAMI supported the development of the Code of Ethics for Ayil Kenesh deputies. The Law of

the Kyrgyz Republic “On the Status of the Ayil Kenesh Deputies”² outlines the necessity for deputies to adhere to the requirements of the Code of Ethics, but this document had not been developed. CAMI tasked the Union of LSGs to develop a Code of Ethics that would define the moral principles and rules of conduct mandatory for Ayil Kenesh deputies. The Union developed the Code of Ethics based on the desk study of main legislative acts of the Kyrgyz Republic, findings of focus group discussions with AK deputies and AO heads in Osh and Karakol, and roundtable discussions with the chairmen of keneshes of rural and city municipalities, representatives of SALSGIR, and the LSG department of the Prime-Minister’s Office of the Kyrgyz Republic. The Union representatives gathered all the feedback and reflected the necessary changes in the final draft of the document. SALSGIR adopted the proposed document as the Standard Code of Ethics that will be recommended for use to Ayil Keneshes throughout the country. The Union of LSGs conducted training on the Code of Ethics for the deputies of the Yrys Aiyl Aimak in Suzak raion of the Jalalabad region. After the training, deputies unanimously adopted the Code of Ethics for the deputies of the Yrys Aiyl Kenesh.

3.3.1. Model for the Post-Activity Mechanism Selected and Launched

In Year 2, CAMI continued supporting the Union of LSGs. The Union of Local Self-Governments is the only institution in the Kyrgyz Republic that has a mandate to represent all 453 LSGs at the national level. CAMI supported the Union in developing its first Financial Sustainability Plan for 2018-2020. The plan outlines a list of services that the Union can provide to its members and defines the mechanism of representation and protection of interests of municipalities at the national level. The Union started implementing the plan by introducing effective internal administrative regulations and optimizing the collection of membership fees. With CAMI’s assistance the Union developed the following integral documents:

- The Union’s Mission;
- The Union’s Internal Policy;
- Regulation on the provision of services to the members of the Union;
- Regulation on the interaction of the Union with its members;
- Regulation on the procurement of goods, works and services;
- Detailed job descriptions of the staff of the Union’s Directorate.

CAMI also trained the staff of the Union’s Directorate and Board Members on introducing a monitoring and evaluation (M&E) system. This is an innovative approach for the Union that requires them to measure their outcomes and present the results to their members. An effective M&E system will contribute to improved management, evidence-based budget decisions, accountability, and increased trust of the Union’s members. Additionally, in Year 2, CAMI helped to organize regular meetings of the Union’s Board members.

To test the Union’s capacity, CAMI tasked the Union with developing the Code of Ethics for Ayil Kenesh deputies. The Union succeeded in not only delivering a quality product, but also in gaining the trust of their members.

² Article 8-1 of the law No. of the Kyrgyz Republic “On the Status of Ayil Kenesh Deputies” as of January 13, 2000.

3.4.1 Political Economy Analysis

In Year 1, CAMI developed the Political Economy Analysis (PEA) with the participation of experts, stakeholders, and government representatives at the national level. The PEA findings and recommendations were partially incorporated in the LSG Development Program. In Year 2, CAMI applied a different approach and decided to develop PEA at the local level to reflect on and compare different challenges faced by LSGs depending on their regions. This approach allowed CAMI beneficiaries to be directly involved in the analysis, and it helped to disseminate PEA methodology in the regions. The PEA focuses on topics of the five categories of local self-governance and interaction between state level stakeholders with LSGs, and it proposes recommendations for project strategy in the short- and medium- term. In Year 2, CAMI presented key PEA findings at a roundtable with key local, regional, and national stakeholders.

3.4.2 Support to LSG Strengthening Reforms via Forums

In Year 1, CAMI organized two regional forums. In Year 2, CAMI changed the name of the event from regional forum to Forum of Aimaks³ to ensure buy-in from the municipalities and to promote unified branding with the project name in Kyrgyz and Russian⁴. In March 2018, CAMI organized the Forum of Aimaks for 133 representatives of municipalities from all seven provinces of the Kyrgyz Republic, state officials, and local organizations to address challenges and strategies to enhance regional development in the country. The discussion was especially important in light of President Jeenbekov's initiative to focus on socio-economic development of the regions under the slogan "Year of Regional Development." Reinforcing the national-level interest in regional development, Kyrgyzstan's highest-rated television channels KTRK and EITR provided nation-wide coverage of the event and highlighted USAID's support to municipalities and USAID Mission Director Kimberly Rosen opening remarks. KTRK also published an article on the event with video spot on their website: <http://www.ktrk.kg/post/20339/kg>. According to the USAID recommendation, the second Forum of Aimaks planned in Year 2 was postponed to the beginning of Year 3 to involve the newly appointed U.S. Ambassador in the Kyrgyz Republic Donald Lu.

LESSONS LEARNED

Potential for Consulting Service: The delivery of public services through contracted labor or consulting in Kyrgyzstan does not appear to have made any significant advances over the past two decades. In this timespan, the Kyrgyz government has depended on international donor organizations to financially support lean operations of the local self-governments that have requested technical and/or financial assistance. In the long run, sizeable donor-funded projects offering generous grants have interfered with the natural supply and demand of the consulting market. Supply has been affected because non-government organizations (NGOs, which include both private sector and civil society organizations) are incentivized for short-term opportunities in the form of grant funding and are disincentivized to develop solid financially sustainable plans for providing essential public services. This also impacts demand because LSGs are not required to pay for consulting services and are unwilling to

³ The term *Aimak* refers to a territorial unit (also translated as municipality); it is widely used by main stakeholders, including the Government of the Kyrgyz Republic. It is also easy to understand for local people.

⁴ The Kyrgyz and Russian versions of the project name translate as Successful Aimak.

adapt a pay-for-service consulting model. CAMI was designed deliberately without a grants fund, so it could contribute to a market-based approach to services in local governments in Kyrgyzstan. Interrupting the status quo in this way requires a behavior change among both consulting service providers and LSGs.

Because of these lessons learned, CAMI plans to offer a change in the long run. With three years remaining until the end of the project, the Year 3 Work Plan is designed to address early stages of the project's exit strategy, introducing the best practice of fee-based consulting services based on previous DAI programmatic experience, and some of the following CAMI products and services: the Visible Improvement Strategy (VIS); own-source revenue increases; utility tariff calculation and implementation; and procurement and purchasing.

To test this vision, CAMI will continue to build capacity of the Union of LSGs at the national level, and at the same time will nurture a market-based approach by identifying non-government entities (both private sector and civil society organizations) who are well-placed to provide services to LSGs and develop financially sustainable plans for fee-based services. CAMI will analyze the consulting market conditions for its project-specific products, tools, and methodologies. Seeking to develop a sustainable post-project market mechanism, CAMI will work to enhance LSGs' appetite for paying the consulting fee for needed, quality services. The vision for the exit strategy is that the Union of LSGs and non-government entities will provide consulting services that the LSGs have already identified as services they are willing to pay for. Healthy competition among various NGOs and even the Union of LSGs will be encouraged; however, continued competition between fee-based services and grant-based services will likely limit market opportunity and project sustainability. The absence of grants in the partner regions should help CAMI succeed.

Service Delivery – Opportunity for the Supply and Demand Development: In the past two years of consulting assistance, the LSGs have gradually changed their old thinking and embraced innovative approaches. Particularly, the Heads of AOs began to utilize more efficient management tools for their sustainable development. Developing strong partnerships between non-government entities, LSGs, and the public is key to future success of this initiative. Starting in Year 3, CAMI will encourage the supply (selected NGOs at the regional level and the Union of LSGs at the national level) and the demand (LSGs) to accept, and then gradually utilize, fee-based consulting services in their daily work. This market-based service condition analysis will be based on best practices in the Kyrgyzstan and, if needed so, in other countries.

Working Commissions as a Sustainable Mechanism at the Local Level: For the past two years, CAMI has helped strengthen the capacity of targeted LSG staff and Working Commission members in technical activities such as LSGPAT, VIS, and service delivery. CAMI has also helped maintain and strengthen the organizational management of the Working Commissions, largely focusing on sustainability (post-activity mechanism). There are two main lessons learned from this activity: a) Working Commissions with more active participation from the AO Heads are more successful; and b) Working Commissions in the Issyk-Kul region have been more effective and better organized than those in the Jalalabad region.

In Year 3, CAMI will oversee the development of the Working Commissions in Round III municipalities from the beginning, starting with an induction seminar organized by CAMI's leadership and consultants to stress the importance of AO Heads' active involvement and to motivate the immediate coordination of Working Commissions with AOs. The key role of the AO Heads in Working Commissions will be outlined in the Regulations of the Working Commissions. To build the capacity of the Working Commissions and train new recruits, CAMI will involve the Working Commissions members in trainings on VIS development, planning, budgeting, service management, and oversight related to selected priority

services throughout Year 3. CAMI will continue to work closely with key local government officials in target municipalities.

In addition, to disseminate best practices, ensure greater visibility, and create an enabling environment for improved services, it is important to engage the raion administration in CAMI activities. Thus, for Year 3, CAMI will invite akims to participate in selected public CAMI events, such as the official launch of the VIS service, regional forums, and various conferences. These efforts will help to keep akims informed about project progress and successful initiatives in their respective raions. CAMI plans to promote the role of Working Commissions by producing videos about their work and contribution to the development of aimaks and circulating the footage across the country.

STATUS REPORTS OF THE ACTION PLANS IN PARTNER MUNICIPALITIES

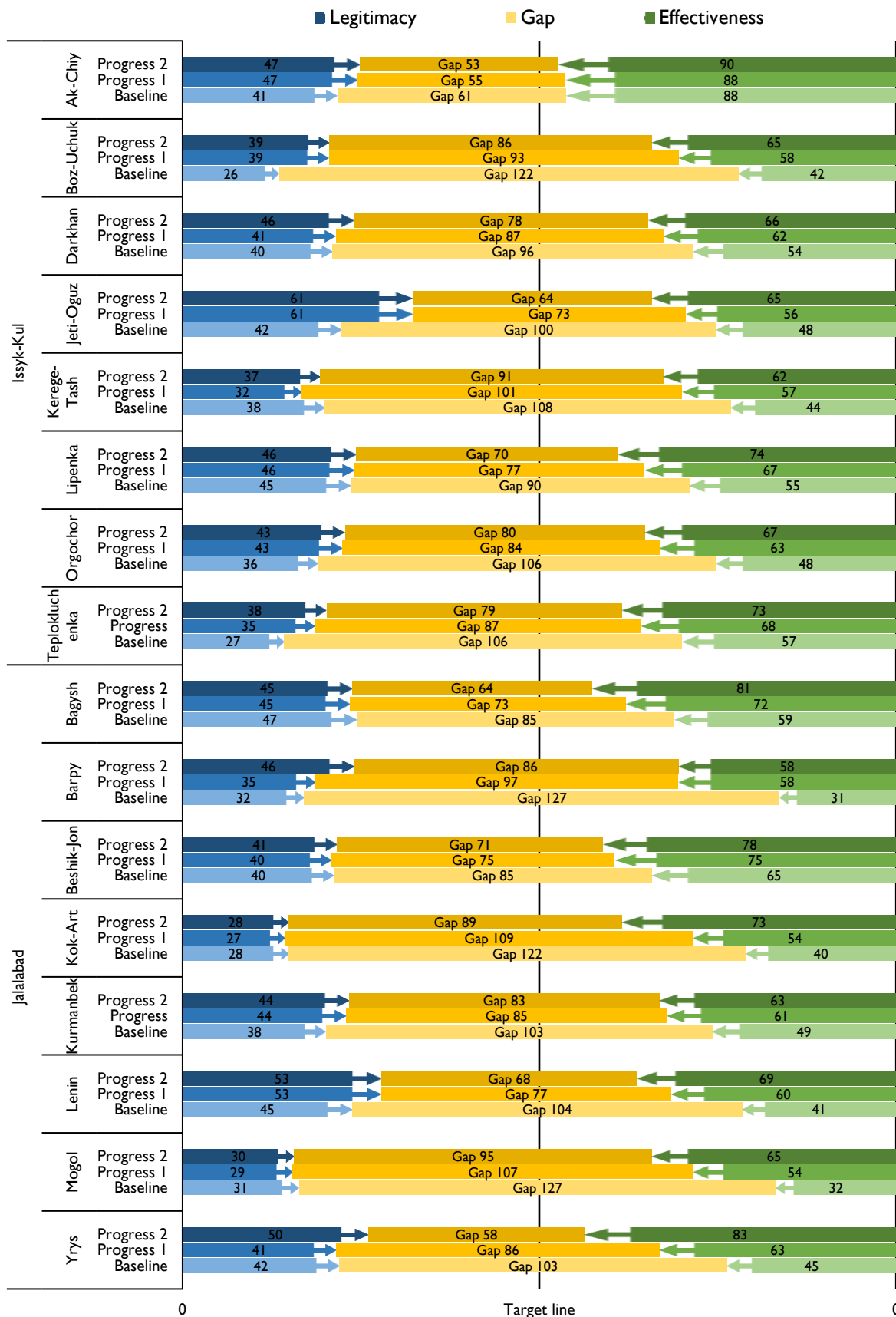
Below is a brief status report on the progress, delays, and issues with implementation of the action plans in target municipalities. CAMI will show the status of progress through two measurements: the legitimacy-effectiveness gap and the Visible Improvement Strategy progress.

All 16 Round I LSGs have reduced their legitimacy-effectiveness gaps, with an average reduction in gap of 11% in comparison with the first performance progress assessment. The second performance progress assessment demonstrated that several Round I LSGs - Ak-Chiy (53), Yrys (58), Bagysh (64), Jeti-Oguz (67), and Lenin (68) - managed to considerably reduce their legitimacy-effectiveness gaps in two years of partnering with USAID's CAMI. The Mogol (95), Kok-Art (89), Barpy (86), Boz-Uchuk (86), Kurmanbek (83) LSGs have larger legitimacy-effectiveness gaps in comparison with overachieving LSGs. These LSGs need to continue improving the interactions with citizens and information delivery. However, the progress is evident. For instance, the Kok-Art LSG decreased its legitimacy-effectiveness gap in Year 2 from 109 to 89 points.

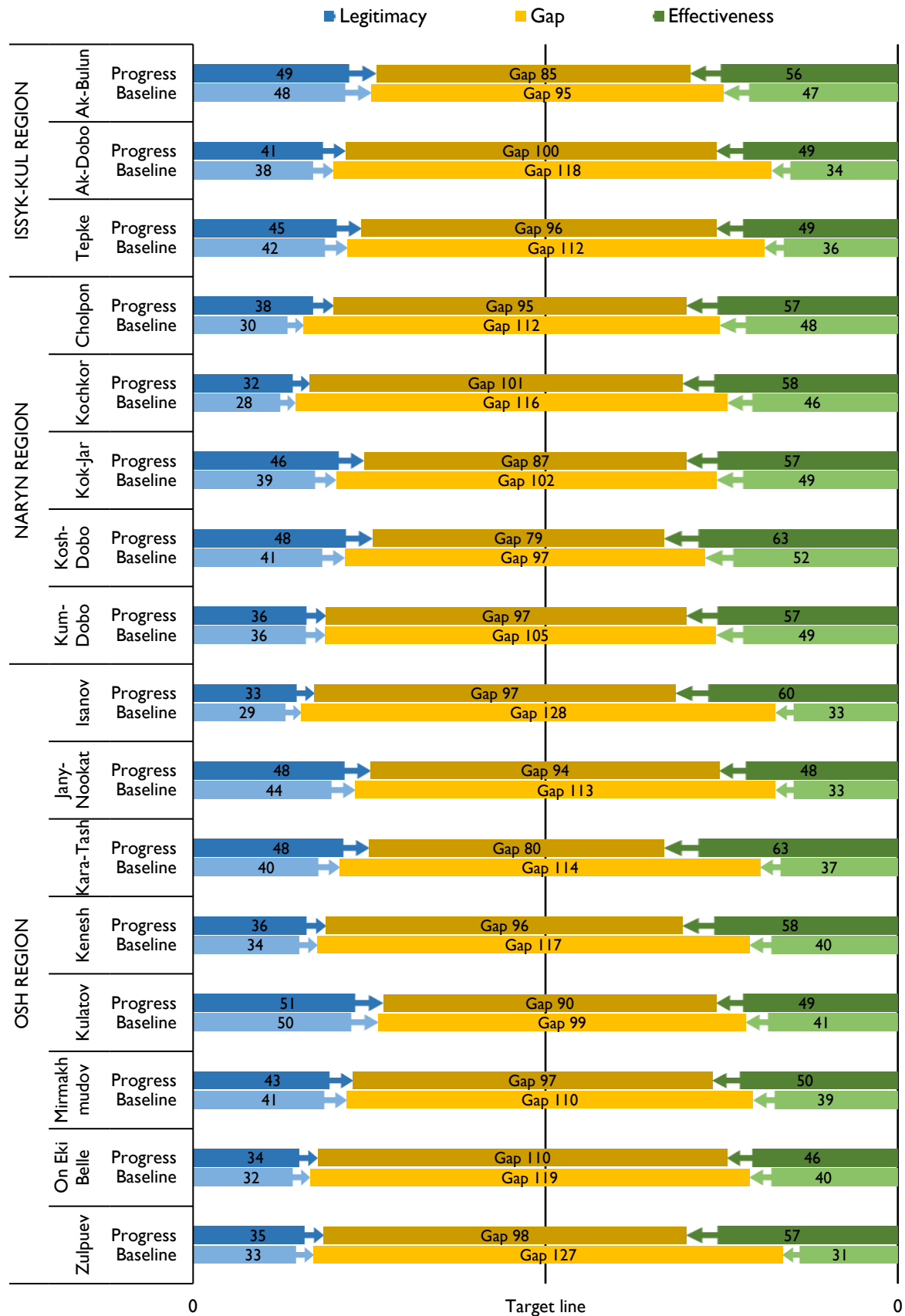
All 16 LSGs of Round II have reduced their legitimacy-effectiveness gaps, with an average reduction of 16% in the gap. The first performance progress survey in partner LSGs of Round II showed that the Kosh-Dobo (79), Kara-Tash (80), Ak-Bulun (85) and Kok-Jar (87) LSGs have decreased their legitimacy-effectiveness gaps compared to the baseline assessment. Ak-Dobo (100) and Kochkor (101) still have large legitimacy-effectiveness gaps and need to improve their interactions with citizens, information delivery, and "effectiveness" of daily activities in service delivery. The Kara-Tash LSG of Round II managed to decrease its legitimacy-effectiveness gap from 114 in the baseline to 80 in first performance progress (by 34 points). However, the Kum-Dobo, Kulatov, and Ak-Bulun LSGs decreased their legitimacy-effectiveness gaps by only 8-10 points compared to the baseline scores.

The Tables below demonstrate the overall progress of the Round I and Round II partner LSGs in Year 2.

Round I Gap Reduction



Round II Gap Reduction



Summary of Year 2 VIS Progress in Round I and Round II LSGs

USAID CAMI assisted partner LSGs of Round I and Round II in developing Visible Improvement Strategies (VIS) and supported LSGs in VIS implementation. USAID CAMI aligned the VIS with existing planning requirements, especially the annual socio-economic development plan. Visible service improvements require strengthening of core capacities of beneficiaries in the full range of LSG functions and continuous follow up of service improvement activities in partner LSGs.

VIS of partner LSGs include several services that need to be improved with CAMI assistance. This analysis focuses only on three priority services that were identified as critical by representatives of the local communities. These services include solid waste management, streets lightning, organization of extracurricular activities for schoolchildren, preschool services, providing drinking and irrigation water, organizing sport facilities for youth, repair of village roads, and so on.

To date, Round I and Round II partner LSGs improved and launched 38 VIS priority services. Additional 9 services will be launched in the first quarter of Year 3.

The status of VIS implementation in four target regions is as follows:

- Eight LSGs of Round I and three LSGs of Round II in **Issyk-Kul region** improved and launched 14 services. Additional 7 services will be launched in the first quarter of Year 3.
- Eight partner LSGs of Round I in **Jalalabad region** improved and launched 9 priority services. Additional 6 services will be launched in the first quarter of Year 3.
- Five Round II LSGs in Kochkor raion of **Naryn region** improved and launched 8 priority services.
- Eight Round II LSGs in Nookat raion of **Osh region** improved and launched 7 priority services.

In total, partner LSGs of Round I and Round II have improved and launched 38 priority services with CAMI support. In the first quarter of Year 3, LSGs will launch additional 13 priority services. The remaining 45 services will be implemented in Year 3.

PROGRESS IN COORDINATION WITH HOST GOVERNMENT, OTHER DONORS, USAID-FUNDED PROJECTS, AND PPP PARTNERS

In Year 2, CAMI successfully coordinated its activities with key local, national, and international stakeholders and partners. To align its efforts with its partners, CAMI engaged them in roundtables, Forum of Aimaks, focus group discussions, PEA discussions at the national and local levels, and study tours and trainings throughout the year. CAMI also engaged local and international partners and stakeholders to develop the City Performance Assessment Tool (CPAT), and officials from Karakol and Naryn took an active role in the CPAT's development. CAMI then organized a feedback session on CPAT with its partners and stakeholders (the Union of LSGs, PSI, VAP, GIZ, IRI, USAID).

Host Government: On the national level, CAMI engaged important stakeholders from the President's Administration and Prime-Minister's Office in the regional development activities. CAMI involved the representatives of the President's Administration, Prime-Minister's Office, Ministry of Economy, Ministry of Finance, and the Government's Press Service in the Forum of Aimaks.

SALSGIR: CAMI management met the SALSGIR officials on a semi-annual basis and shared project progress, including the LSGPAT results for 16 partner municipalities, selection of the Round III partner

LSGs, and CAMI's Work Plan for Year 3. CAMI engaged SALSGIR representatives in regional workshops, study tours on Mobile Feedback Mechanism via WhatsApp, CAMI Coordination Council meeting, and focus group discussions. Per the SALSGIR's request, the project presented two progress reports on activities and achievements in its 32 partner LSGs. The SALSGIR supported CAMI's initiative to provide assistance on capacity and institution building for the Union of LSGs.

Coordination Council: The CAMI Coordination Council serves as a platform for experience and information exchange with key local, national, and international stakeholders working in the LSG sector in the Kyrgyz Republic. In Year 2, CAMI organized two meetings of the Coordination Council - in March and August of 2018. CAMI invited two new members to the Council, each of whom work on youth engagement in LSGs. They are from USAID's Youth Activity and UNICEF's Adolescent Development and Participation, respectively.

CAMI presented and discussed the following products and tools with its partners:

- LSGPAT of pilot LSGs from Kochkor and Nookat raions;
- Visible Improvement Strategies of pilot LSGs from Osh and Naryn regions;
- Communication Strategy;
- Mobile Feedback mechanism;
- Updated Citizen Charters;
- Updated Model for Budget Hearings;
- Code of Ethics for Deputies of Local Keneshes

Union of LSGs: CAMI supported the Union of LSGs in developing and implementing the Union's Financial Sustainability Plan 2018-2020. This plan is seen as a roadmap for the Union, and it includes an action plan for implementing and packaging internal administrative documents.

CAMI also tasked the Union of LSGs with developing the Code of Ethics that would define the moral principles and rules of conduct mandatory for Ayil Kenesh deputies. The SALSGIR approved the Code of Ethics as a standard for Ayil Keneshes across the country.

State Tax Service: In February 2018, CAMI collaborated with the State Tax Service (STS) to conduct joint cluster trainings for LSGs in the Jeti-Oguz and Nookat raions on increasing local budget revenues and tax administration. During these trainings, the expert from the State Tax Service provided coaching on administration of local taxes and review of revenues and expenditures.

Regional Decision-Makers: In January 2018, USAID's Mission Director Kimberly Rosen visited the Jeti-Oguz and Teploklyuchenka LSGs and met with akim of Ak-Suu raion to learn more about CAMI's work in the Issyk-Kul region. With CAMI support, Jeti-Oguz AO streamlined new sports clubs and tractor services through partnerships with the private sector. They also improved the process of budget hearings. Teplyuklyuchenka municipality was the first municipality to connect with its residents through Mobile Feedback Mechanism via WhatsApp. During this quarter, CAMI's Chief of Party Robert Bodo also met with the akim of Kochkor raion to strengthen regional cooperation.

Other Donors: CAMI continued working closely with international partners, including the Swiss Embassy, HELVETAS Swiss Intercooperation Kyrgyzstan, and GIZ. During this quarter, CAMI met with representatives of USAID's Youth Activity, the United Nations Children's Fund's (UNICEF) Adolescent Development and Participation Programme, and the International Republican Institute to discuss possible future cooperation. CAMI's Chief of Party Robert Bodo made a presentation about CAMI's project activities, Year I results, accomplishments, and approaches, with a focus on LSGPAT and VIS, at

the Seventeenth Steering Committee Meeting of the National Policy Dialogue on Integrated Water Resources Management in Kyrgyzstan, organized by OECD. Representatives of different donor organizations discussed future coordination and collaboration on the issues of drinking water.

GIZ: CAMI and the GIZ Civil Society Fund Project signed a Letter of Intent on the Cooperation on improved municipal services for selected pilot LSGs in the Issyk-Kul and Naryn regions. Under this LOI, GIZ will procure equipment for approximately \$60,000 in the CAMI selected pilot LSGs, mostly consisting of meter devices for the drinking water system.

Swiss Embassy/SDC: In 2017, CAMI conducted an assessment of financial, organizational, and leadership capacities of the Union of Local Self-Governments of the Kyrgyz Republic. One of the recommendations of the assessment was to enhance the role of the Union of LSGs as LSGs Interaction Platform. CAMI shared this idea with its partners, and SDC became interested in this idea and supported the Union in launching such a platform.

International Republican Institute (IRI): In April 2018, CAMI met with IRI representatives to discuss possible collaboration and suggested 10 LSGs for future collaboration. CAMI also shared the contact information of people in AO and AK and local elected women leaders. CAMI and IRI agreed that the aim of their collaboration is to:

- Strengthen the AO – AK relations;
- Improve the AK – citizen engagement / communication in the municipal service delivery;
- Suggest concrete interventions, demonstrating these AO- AK and AK – citizen engagements via existing technical assistance – mechanism.

In September 2018, CAMI invited IRI representatives to the presentation of the Legitimacy Survey and shared the Performance Progress of the Round I and II LSGs and Baseline of Round III LSGs.

USAID-Funded Projects: In Year 2, CAMI had several meetings with the USAID Youth Initiative. The projects collaborated in the regions via field officers. CAMI involved the USAID Youth Initiative beneficiaries in citizen charter meetings. Additionally, CAMI's Communications Manager shared CAMI's experience in building internal and external communications with the representatives of the USAID Youth Initiative.

CROSS-CUTTING ACTIVITIES

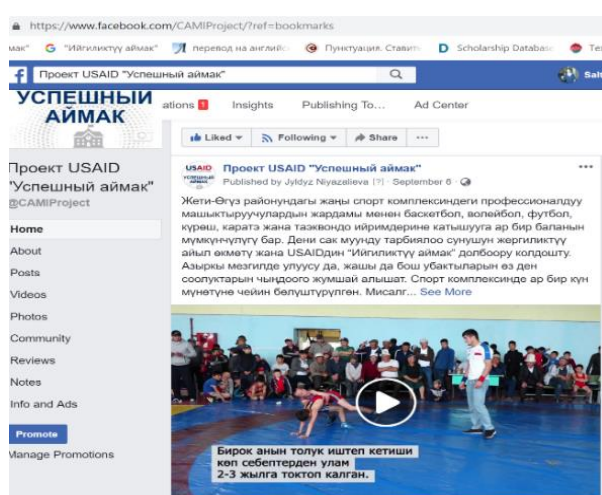
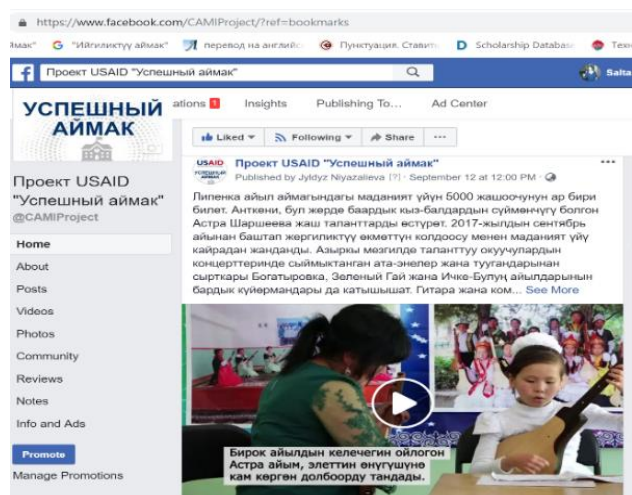
COMMUNICATIONS ACTIVITIES

In 2018, CAMI has improved its visibility using both digital and traditional communications channels. CAMI has launched its official Facebook page (<https://www.facebook.com/CAMIPROJECT>) in March 2018. CAMI targets citizens and specialists of pilot LSGs, national, regional and local news outlets, NGOs working in LSG development, and international organizations. The content of the page is primarily in Kyrgyz and Russian, though it may also be featured in English if the message can be of interest to an English-speaking audience.

The page covers the project's events, achievements, stories about beneficiaries and field-related news. The page disposes information in photo, video and textual formats.

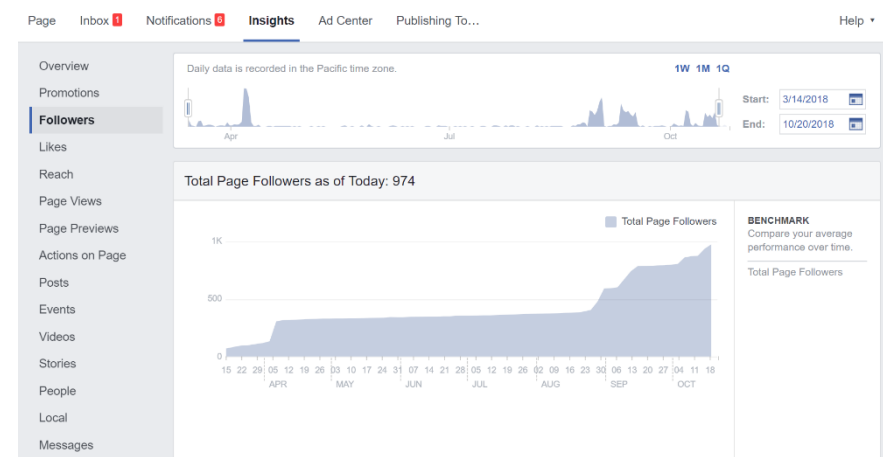
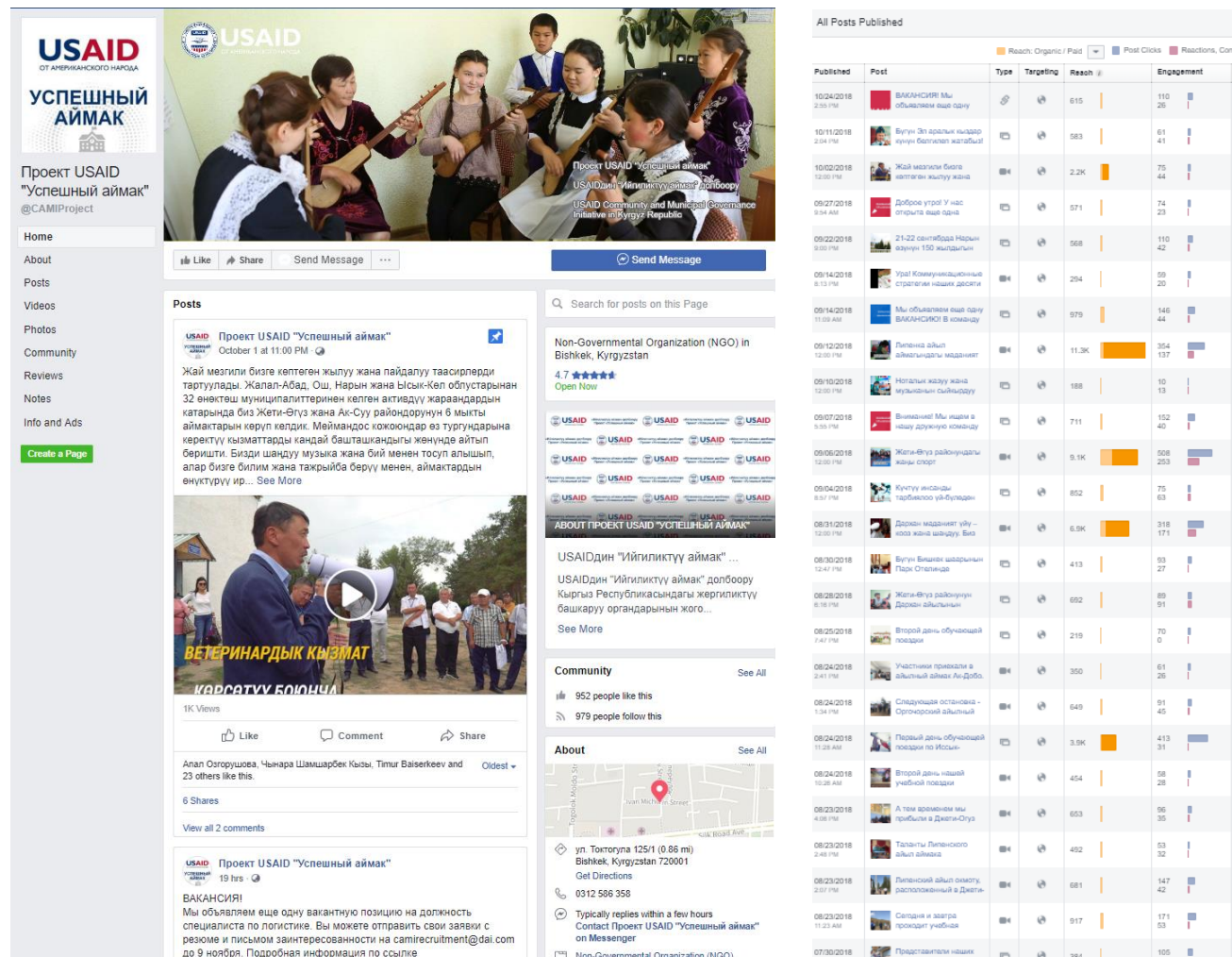
With regards to traditional communication channels, CAMI strengthened its media relations during 2018. As a result, several of CAMI events have been aired on the two largest national TV channels, KTR and ELTR. Moreover, the “Birinci Radio” (National Broadcasting Radio) ran a report on CAMI, leading online media outlets such as “Vecherny Bishkek”, Kabar.kg and Kabarlar.kg to also talk about CAMI activities. CAMI's relations with regional media outlets were also fruitful. Throughout 2018, for example, regional channels in Osh and Issyk-Kul covered several CAMI events on their daily news broadcast.

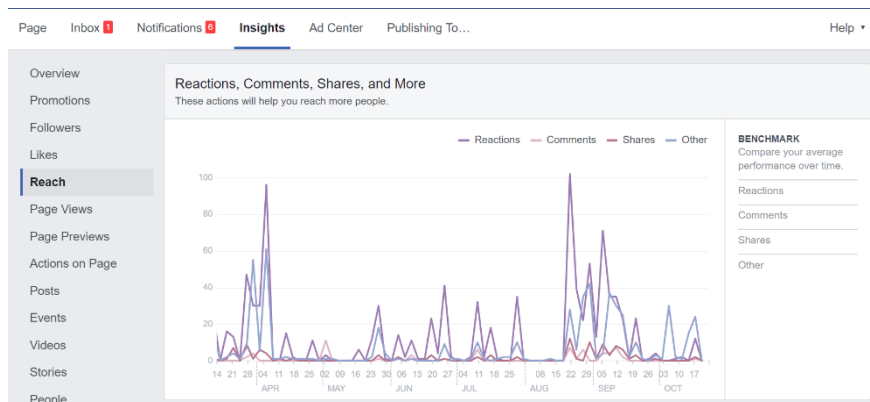
Moreover, CAMI produced three quality videos on benefits of project activities to the citizens in Kyrgyz with Kyrgyz subtitles. Two more videos covered the Study Tour and Forum of Aimaks. CAMI published the videos on its Facebook page and showcased them at the events, resulting in increased community and online engagement with residents of partner aimaks. Examples of comments received on the Facebook page included “We are proud of our talents” and “Let our aimak develop!”



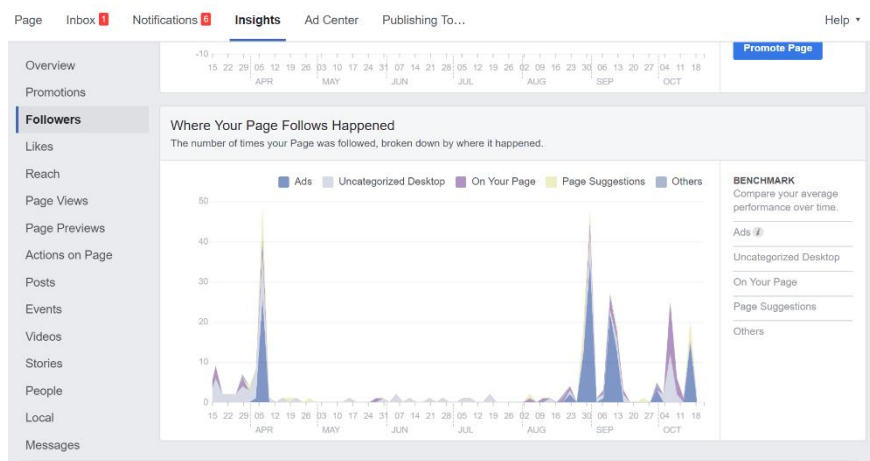
FACEBOOK STATISTICS

Since its launch, CAMI Facebook page has attracted a community of 952 Facebook users and the numbers continue to grow daily. The posts contain different graphic illustrations, video and photo materials.

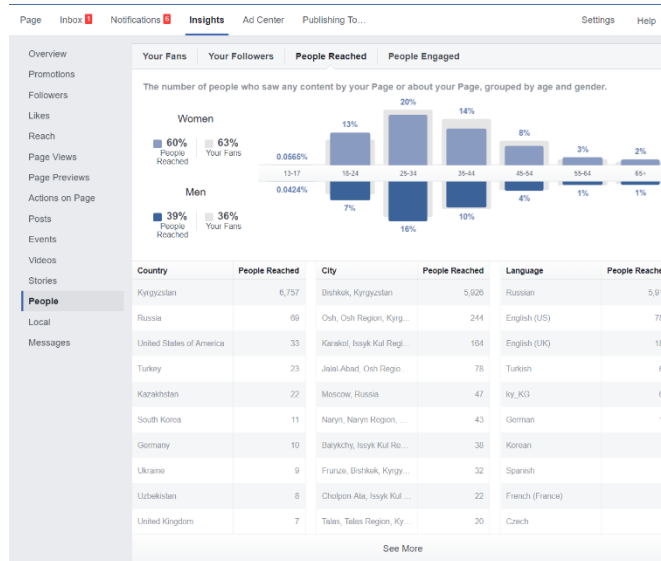
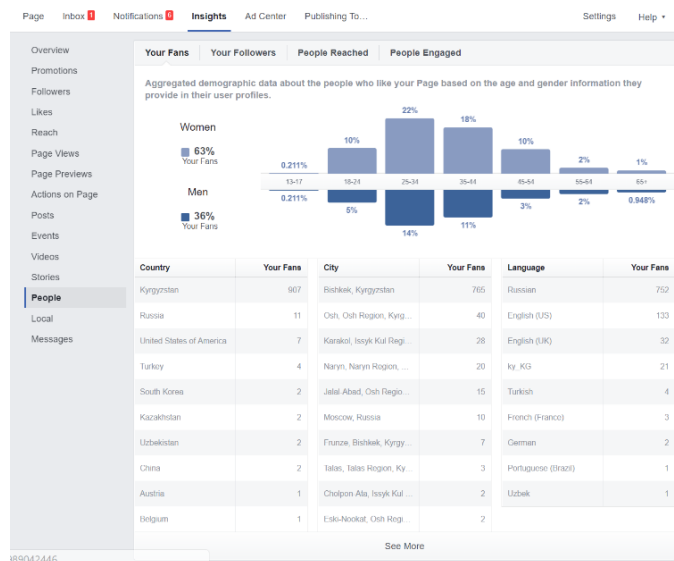




The audience is highly engaged and reacts positively to the posts. Video content receives the best engagement and highest number of comments. The second most prevalent form of engagement is sharing. Posts with vacancy announcements have the highest number of shares.



Boosted posts attract the most engagement. The second highest following happens on the page itself, when friends of the page followers also visit the page.



The page followers are 63% women and 36% men. Women respond more to the publications. Bishkek, Kyrgyzstan remains the most active and largest audience of the page, followed by Russia, USA and Turkey.

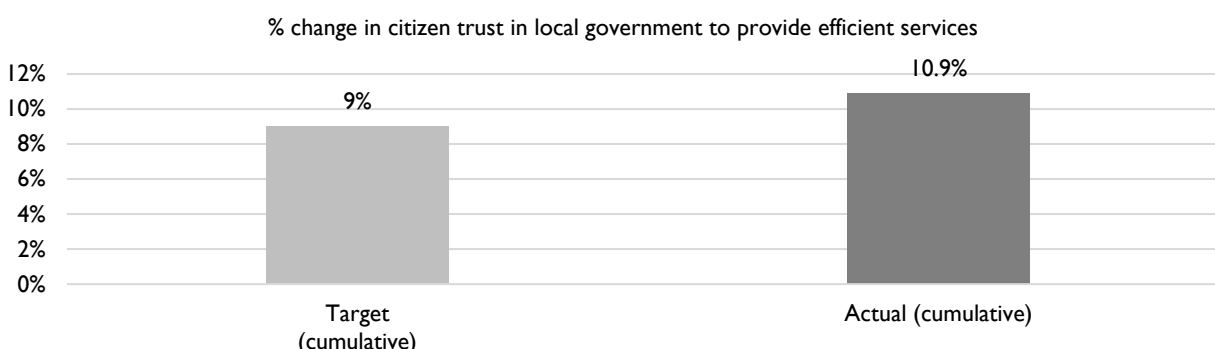
DESCRIPTION OF PROGRESS AGAINST PLANNED PMEP TARGETS

The USAID CAMI project **achieved targets** of Performance Indicators in Year 2. This section will present the progress on Project Indicators by three components.

Performance, Crosscutting & F Indicators

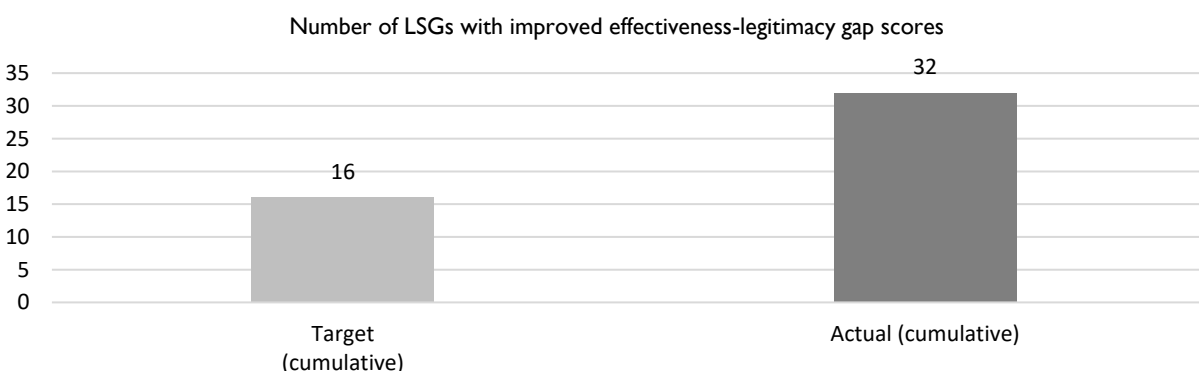
Indicator % change in citizen trust in local government to provide efficient services

Citizen trust is defined through a proxy indicator devised through the LSGPAT/CPAT methodology. In Year 2, based on legitimacy surveys conducted in 32 LSGs, the percent of citizen trust in LSGs to provide efficient services increased by 10.9%. In the Round I LSGs, citizen trust increased by 3.6% and, in the Round II LSGs, citizen trust increased by 5.6 %.



Indicator Number of LSGs with improved effectiveness-legitimacy gap scores

This indicator reflects the gap reduction based on the LSGPAT/CPAT Tools and conducted effectiveness and legitimacy surveys. In Year 2, 32 LSGs improved their effectiveness-legitimacy gap scores.



Indicator F. I Number of mechanisms for external oversight of public resources use supported by CAMI

In Year 2, the Project developed two mechanisms - Joint Monitoring and Evaluation Groups and a mechanism of reporting by the Head of AO on local budget execution to the local Kenesh.

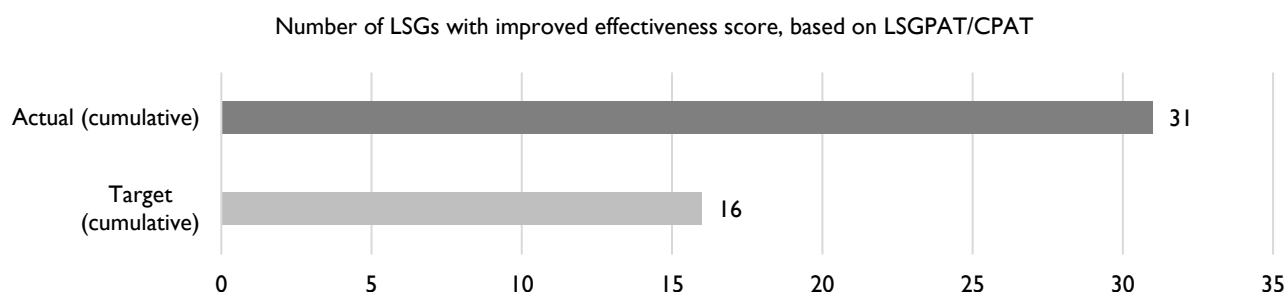
Indicator F. 2 Number of government officials receiving U.S. Government-supported anti-corruption training

The implementation of the indicator was shifted from Year 1. In Year 2, CAMI trained 109 LSGs officials, including 31 female officials, at the good governance trainings for 32 LSGs.

Outcome I. Increased LSG Effectiveness

Indicator I.1 Number of LSGs with improved effectiveness score, based on LSGPAT/CPAT

In Year 2, USAID CAMI worked with LSGs on improving effectiveness in the following areas: 1) service delivery management; 2) municipal operations; 3) financial management; 4) local economic development; and 5) citizen-LSG interaction. The Project measured progress of each LSG during the effectiveness performance survey. Thus, 31 LSGs (15 LSGs-Round I; 16 LSGs-Round II) improved their effectiveness scores in Year 2.

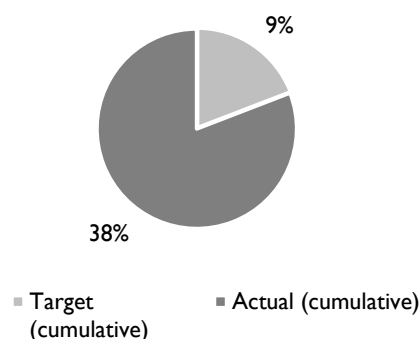


Indicator I.2 Average % increase in LSG effectiveness scores, based on LSGPAT/CPAT

The average increase of the effectiveness scores for LSGs in Rounds I and II is 20 % in Year 2 and 38% cumulative for Years I and 2.

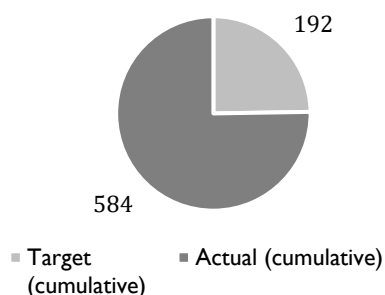
In Year 2, the Round I LSGs improved their effectiveness scores by 11.4%, while the Round II LSGs improved their scores by 34%.

Average % increase in LSG effectiveness scores, based on LSGPAT/CPAT



Indicator 1.3 Number of Kyrgyzstan LSG staff and experts with improved capacity

Number of Kyrgyzstan LSG staff and experts with improved capacity



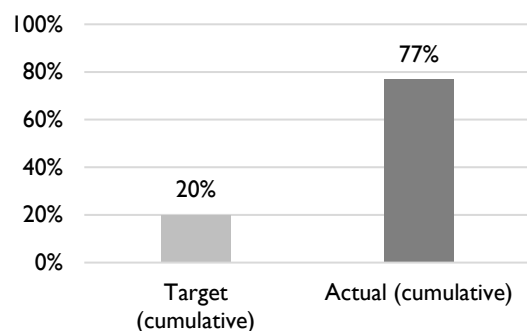
The USAID CAMI provided assistance in capacity building for LSG/AK staff and experts from 32 LSGs on effective service delivery, institutional management, and improving LSG-citizen interaction. 457 participants were trained and improved capacity in Year 2, with a cumulative number is 584 LSG/AK staff and experts.

Indicator 1.4 Number of municipalities with completed Visible Improvement Strategy (VIS) with participation of the community

In Year 2, all 16 LSGs in Round II developed Visible Improvement Strategy reflecting their priority services, which were selected in a participatory process involving all community stakeholders.

Indicator 1.5 Average percentage of the tasks completed of VIS across program LSGs

Average percentage of the tasks completed of VIS (3 services) across program LSGs(R I)



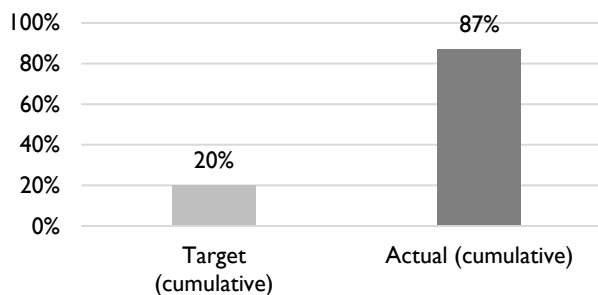
CAMI provided a series of trainings on VIS implementation and coaching on budget efficiency, asset management, and property tax revenue for 32 LSGs.

In Year 2, the average percent of completed VIS tasks exceeded 77% in Round I LSGs.

Round I increased the number of services in Year 2. This chart presents data on 3 selected priority services.

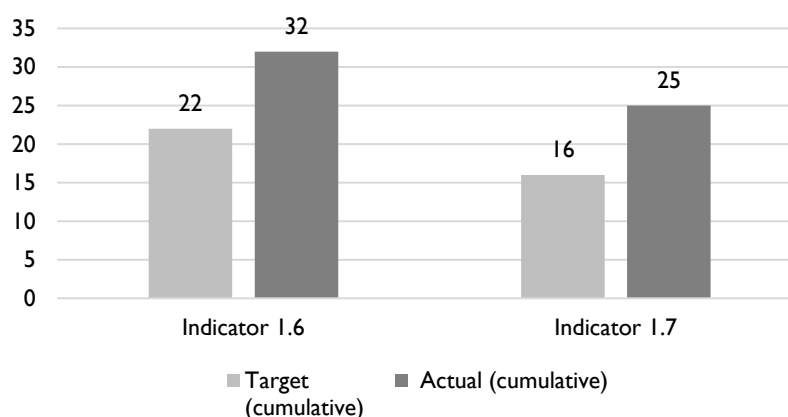
The Round II LSGs started to implement one service in each LSG and completed 87% of VIS tasks in Year 2.

Average percentage of the tasks completed of VIS (1 service) across program LSGs(R II)



Indicator 1.6 Number of LSGs that practice participatory and improved budget procedures

The Project conducted trainings on "Issues of organization and conduction of public budget hearings and civic budget development" and "On budget process for Local Councils" for 32 LSGs, and CAMI conducted at least two public hearings on budget in each LSG during Year 2.



Indicator 1.7 Number of LSGs with service-oriented Aiyl Kenesh (AK)/City Kenesh (CK) committees

The USAID CAMI worked with AK/CKs to strengthen their important role in overseeing services, while also creating constructive dynamics with LSG executives, to assist local councils to establish or strengthen committees within the formal council structure to serve as a focal point for community engagement and for oversight of VIS implementation. The LSGs created the Working Commissions on VIS development and involved AK staff members in the Working Commissions. The AK approved 16 VIS by Decree in Round II. Moreover, all LSGs in Round II approved an additional list of standards.

Indicator 1.8 Number of LSGs with increased own source revenues

The Project will start to report on this indicator in Year 3.

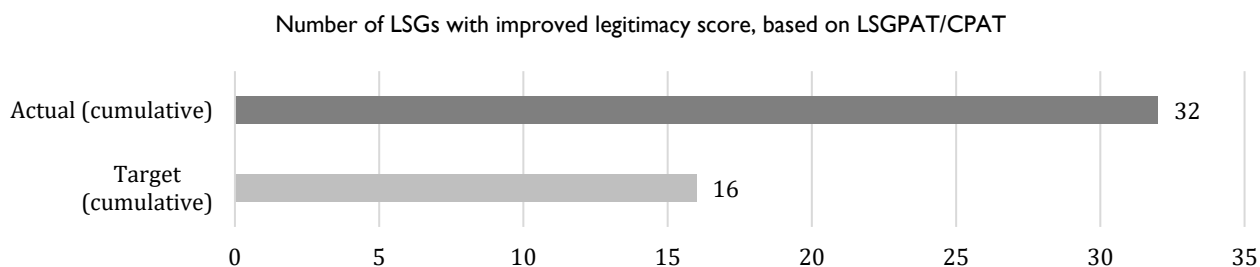
Indicator 1.9 Number of forums on local government strengthening supported by CAMI

Year 1 Achieved	Year 2 Target	Year 2 Achieved	Cumulative Y 1-Y 2	Note
2	4	1	3	In Year 2, the Project conducted the Forum of Aimaks in Q 3, YII. According to the USAID request, the next Forum of Aimaks was postponed to the beginning of Year 3.

Outcome II. Increased LSG Legitimacy

Indicator 2.1 Number of LSGs with improved legitimacy scores, based on LSGPAT/CPAT

In Year 2, USAID CAMI conducted a legitimacy survey based on the LSGPAT/CPAT. According to the survey's results, 32 LSGs improved their legitimacy scores (16 LSGs-Round I; 16 LSGs-Round II).

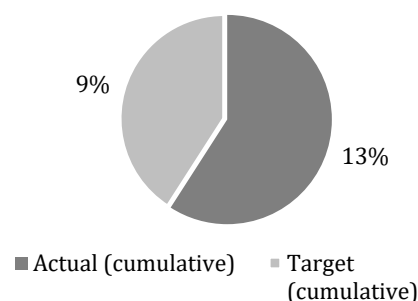


Indicator 2.2 Average percentage increase in LSG legitimacy scores, based on LSGPAT/CPAT

The average increase of the legitimacy scores for LSGs in Round I-II is 7.8 % in Year 2 and 13% cumulatively for Years I and 2.

In Year 2, the Round I LSGs improved their legitimacy scores by 5.7%, and the Round II LSGs improved their legitimacy scores by 10 %.

Average % increase in LSG legitimacy scores, based on LSGPAT/CPAT



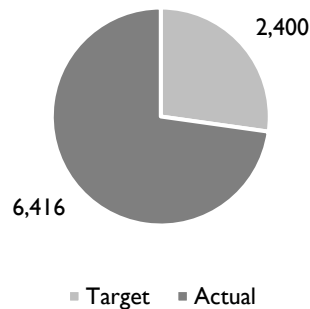
Indicator 2.3 Number of citizen charters launched by CAMI support

	Citizen charters updated in Round I	Citizen charters updated in Round II	Note
Name of LSGs	Darkhan Orgochor Bagysh Barpy Beshik-Jon Kurmanbek Lenin Yrys Mogol	Tepke Kochkor Kok-Jar Kum-Dobo Kosh-Dobo Cholpon Isanov Kenesh Zulpuev Kara-Tash Mirmahmudov On-Eki-Bel Kulatov Jany-Nookat	23 Citizen charters were updated in Year 2.

Indicator 2.4 Number of public dialogues held by LSGs with participation of community, conducted directly with CAMI support

The project helped formalize public hearing procedures and agendas, and it developed strategies for councilors to use hearing findings to work constructively with executives on solving existing problems in their communities. In Year 2, 32 LSGs conducted 110 public dialogues (focus-group discussions on service prioritization, public dialogues on budget, on charters, on VIS and tariffs for services). In total, 142 public dialogues were conducted in Years I and 2.

Number of people attending the local mechanisms established or improved with the support of CAMI for citizen involvement



Indicator 2.5 Number of people attending the local mechanisms established or improved with the support of CAMI for citizen involvement

In Year 2, 6,416 people, including 2,481 female participants, attended 110 public hearings on Visible Improvement Strategies, on budget execution and citizen charters.

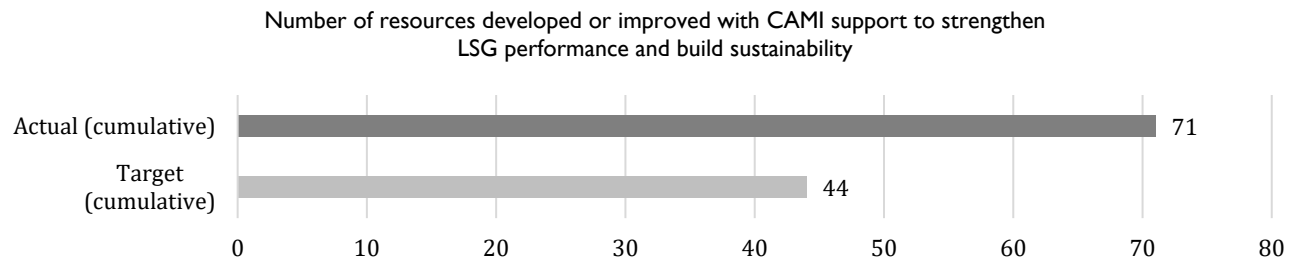
Indicator 2.6 Number of LSGs with public outreach strategies, launched by CAMI support

	Public outreach/communications strategies in Round I	Public outreach/communications strategies in Round II	Note
Name of LSGs	Boz-Uchuk Kerege-Tash Kurmanbek Mogol	Ak-Bulun Ak-Dobo Tepke Kochkor Kok-Jar Kum-Dobo Kosh-Dobo Cholpon Isanov Kenesh Zulpuev Kara-Tash Mirmahmudov On-Eki-Bel Kulatov Jany-Nookat	20 public outreach/communications strategies were developed in Year 2.

Outcome III. Furthering Indigenous Kyrgyzstani LSG Support Capabilities

Indicator 3.1 Number of resources developed or improved with CAMI support to strengthen LSG performance and build sustainability

In Year 2, the Project developed 48 products, including Visible Improvement Strategies, PEA Reports, Regulations, the CPAT, the Code of Ethics, the practical guide on service delivery on the local level, and Communications Strategies. The total number of developed resources reached 71 in Year 1 and 2.



Indicator 3.2 Post-activity mechanism for LSG assistance and support established

The Project will start to report on this indicator in Year 4.

Table I: PERFORMANCE PROGRESS INDICATOR TABLE

Indicator Name	Unit of measure (disaggregation)	FY I Actual	FY II		FY I-FY II Cumulative Actual	Notes
			Target	Actual		
% change in citizen trust in local government to provide efficient services	Percentage change (by raion, gender, age)	3.5%	9%	10.9% Round I-3.6% Round II-5.6%	Round I-7.1% Round II-5.6%	
Number of LSGs with improved effectiveness-legitimacy gap scores	Number (by LSG group)	16	16	32	32	The effectiveness-legitimacy gap scores improved in 32 LSGs
F. 1 Number of mechanisms for external oversight of public resources use supported by CAMI	Number (by LSG, raion)	4	6	2	6	
F. 2 Number of government officials receiving U.S. Government-supported anti-corruption training	Number (by LSG, raion, gender, age)	N/A	96	109	109	
Project level Impact Indicators						
Project Intermediate Result 1: Improved LSG effectiveness, as defined by improved competency, capacity, and solutions to perform devolved functions and services						
I.1 Number of LSGs with improved effectiveness score, based on LSGPAT/CPAT	Number (by raion, by population category)	15	16	31	31	The effectiveness scores increased in 31 LSGs: Round I-15 LSGs Round II-16 LSGs
I.2 Average % increase in LSG effectiveness scores, based on LSGPAT/CPAT	Number (by raion, by size of LSG)	27%	9%	20%	38%	Round I The total score of 16 LSGs (first performance progress)-1016 points The total score of 16 LSGs(second performance progress)--1132 points $1132-1016=116/1016*100=11.4\%$ Round II The total score of 16 LSGs (first performance progress)-655 points The total score of 16 LSGs(second performance progress)--877 points $877-655=222/655*100=34\%$ The average % increase in LSG effectiveness scores for 32 LSGs-20%, the cumulative-38%.
I.3 Number of Kyrgyzstan LSG staff and experts with improved capacity	Number (by raion, gender)	128	192	456	584	Q 1 LSGs in Round I # of participants-156 # of new participants (parts. who have not attending another training)-45 # of the new participants with improved capacity -43 Q2 Round I and II LSGs # of participants-573 # of the new participants with improved capacity -291 (Round I-69 participants; Round II-222 participants) Q3 Round I and II LSGs # of participants-353 # of the new participants with improved capacity -97 (Round I-27 participants; Round II-70 participants) Q4 Round I and II LSGs

						# of participants-130 # of the new participants with improved capacity -25 (Round I-2 participants; Round II-23 participants)
1.4 Number of municipalities with completed Visible Improvement Strategy (VIS) with participation of the community	Number (by raion, by population category)	16	32	16	32	The 16 LSGs in R II approved 16 VIS. The total 32 LSGs developed VIS by Year II.
1.5 Average percentage of the tasks completed of VIS across program LSGs	Number (by LSG, raion, task)	Round I-42% (1 service)	20%	Round I-77% (3 services) Round II-87% (1 service)	Round I-77% (3 services) Round II-87% (1 service)	
1.6 Number of LSGs that practice participatory and improved budget procedures	Number (by raion, by size of LSG)	16	22	16	32	1) Conducted trainings on "Issues of organization and conduction of public budget hearings and civic budget development" and "Training on budget process for Local Councils" for participants from 32 LSGs 2) Conducted public hearings on budget in 32 LSGs.
1.7 Number of LSGs with service-oriented Aiyl Kenesh (AK)/City Kenesh (CK) committees	Number (by raion)	9	16	16	25	1) The LSGs created the Working Commissions on VIS development.), AK staff members were included in the Working Commissions 2) The AK approved 16 VIS by Decree 3) 16 LSGs in Round II approved additional list of standards
1.8 Number of LSGs with increased own source revenues	Number (by LSG, raion, type of revenue)	N/A	N/A	N/A	N/A	Measurement in Year 3
1.9 Number of forums on local government strengthening supported by CAMI	Number (by raion)	2	4	1	3	The first forum was conducted in Q 3, 2018, the second forum was postponed.
Project Intermediate Result 2: Increased LSG legitimacy as defined by improved community engagement, responsiveness, and accountability with respect to devolved functions and services						
2.1 Number of LSGs with improved legitimacy scores, based on LSGPAT/CPAT	Number	10	16	32	32	The legitimacy scores increased in 32 LSGs: Round I-16 LSGs Round II-16 LSGs
2.2 Average percentage increase in LSG legitimacy scores, based on LSGPAT/CPAT		9.6%	9%	7.8%	13%	Round I The total score of 16 LSGs (first performance progress)-657.5 points The total score of 16 LSGs (second performance progress)-695.2 points $695.2-657.5=37.7/657.2*100=5.7\%$ Round II The total score of 16 LSGs (first performance progress)-601.4 points The total score of 16 LSGs(second performance progress)--662.2 points $662.2-601.4=60.8/601.4*100=10\%$ The average % increase in LSG Legitimacy scores for 32 LSGs-7.8%, the cumulative-13%.

2.3 Number of citizen charters launched by CAMI support	Number (by LSG, raion, service)	4	22	23	27	16 public dialogues were conducted in 16 LSGs in Q 1, Y 2 50 public dialogues on Budget, charters and VIS issues were conducted in 32 LSGs in Q2, Y2 16 public dialogues on Budget, charters and VIS issues were conducted in 16 LSGs in Q3, Y2 28 public dialogues on Budget and VIS issues were conducted in 26 LSGs in Q4, Y2.
2.4 Number of public dialogues held by LSGs with participation of community, conducted directly with CAMI support	Number (by LSG, raion)	32	128	110	142	
2.5 Number of people attending the local mechanisms established or improved with the support of CAMI for citizen involvement	Number (by LSG, gender, age, organization)	1,258	2,400	6,416	7,674	Q 1: The 452 people participated in public dialogues, out of them (155 female, 297 male) Q 2: The 3,252 people participated in public dialogues, out of them (1,232 female, 2,020 male) Q 3: The 1,128 people participated in public dialogues, out of them (481 female, 647 male) Q 4: The 1,584 people participated in public dialogues, out of them (613 female, 971 male)
2.6 Number of LSGs with public outreach strategies, launched by CAMI support	Number (by raion)	4	22	20	24	
Project Intermediate Result 3: Furthering and sustaining indigenous Kyrgyzstan LSG support capabilities that are competent and able to provide on-going assistance to communities and their leadership						
3.1 Number of resources developed or improved with CAMI support to strengthen LSG performance and build sustainability	Number (by LSG, type of mechanism)	23	44	48	71	Y2, Q 1 1. PEA Report on the national level 2. Regulation for Calculating Costs for Solid Waste Collection and Removal Y2, Q 2 Eight (8) Visible Improvement Strategies Y2, Q 3 Eight (8) Visible Improvement Strategies City Performance Appraisal Tool (CPAT) Y2, Q4 1. PEA report at the local level 2. Code of Ethics 3. Regulation on assets management 4. Practical guide on service delivery on local level Five (5) Regulations of the Union of LSGs Twenty (20) Communications Strategies
3.2 Post-activity mechanism for LSG assistance and support established		N/A	N/A	N/A	N/A	Measurement in Year 4

PLANNED ACTIVITIES IN YEAR THREE

In Year 3, CAMI will partner with 50 selected LSGs covering four regions of the country (Issyk-Kul, Jalalabad, Naryn, and Osh).

Outcome I. Increased LSG Effectiveness

In Years I and 2, CAMI strengthened the capacity of targeted LSG staff and the Working Commission members in technical activities such as the LSGPAT, VIS, SEDP, and service delivery. In Year 3, CAMI will focus on strengthening the training capabilities of the Working Commission experts, focusing on sustainability (post-activity mechanism), dissemination of products, best practices, regulations, greater visibility, and an environment for improved services. CAMI will also create an electronic database of local experts from the Working Commissions for their subsequent use in other municipalities.

The following activities are planned under Outcome I:

- Conduct a baseline study and analysis on effectiveness for Round III LSGs of the Naryn and Osh regions
- Service Diagnostic for a Visible Improvement Strategy (VIS)
- Assist LSGs to complete Visible Improvement Strategies (VIS)
- Build core capacities of LSG representatives and Working Commission experts for visible service performance
- Train LSGs in planning, budgeting, service management, and oversight related to selected service
- Provide support to partner LSGs in maximizing own source revenue
- Assist LSGs to develop investment strategies
- Explore options on simplification of the LSGPAT / CPAT. The simplified LSGPAT / CPAT will consist of 10 indicators with three scales on benchmarks in each indicator. Benchmarks will also be shortened
- By the end of Year 3, CAMI will graduate sixteen Round I LSGs

Outcome II. Increased LSG Legitimacy

CAMI will work to support partner LSGs to deliver visible and measurable improvements priority services, while creating institutionalized mechanisms for citizen engagement. Additionally, because citizens see few, if any, distinctions between LSG and de-concentrated executive functions, CAMI will also increase LSG capacity to coordinate with each other and raion-level public institutions to advocate for improvements to state services.

The following activities are planned under Outcome II:

- Conduct a baseline study and analysis on legitimacy for Round III LSGs of the Naryn and Osh regions
- Institutionalize stakeholder engagement in the development of Visible Improvement Strategies (VIS) and service improvement activities for Round III LSGs
- Institutionalize stakeholder engagement in planning, resourcing, service managing, and oversight
- Assist LSGs to update citizen charters to insert decisions concerning public service delivery
- Provide support to local councils
- Conduct trainings on combating and preventing corruption in LSGs, representatives of Working Commissions
- Support for citizen monitoring by launching mobile citizen feedback mechanism

- Develop communications strategies for LSGs to ensure proactive disclosure of information and strengthen LSG public outreach
- Conduct performance progress legitimacy survey for Round I and III LSGs

Outcome III. Furthering Indigenous Kyrgyzstani LSG Support Capabilities

Improving LSG effectiveness and legitimacy requires the engagement and participation of a broad ecosystem of Kyrgyz stakeholders. By making use of existing structures, CAMI will transition a wide range of tools and capacities to Kyrgyz organizations. CAMI will also engage the Ayil Kenesh (AK) committees to consult and share information, best practices, products, tools, and mechanisms with local NGOs and community groups, and existing LSG planning processes, rather than create ad hoc, project-driven forums or requirements.

The following activities are planned under Outcome III:

- Improve coordination through CAMI-supported mechanisms
- Promote new and existing products, services, and practices
- Select and cooperate with local NGOs and Union of LSGs to ensure a model for the post-activity mechanism
- Develop the database of CAMI's regional / local experts from Working Commissions
- Cooperate with Civil State Agency: transfer CAMI's products to CSA for trainings of municipal officials
- Update Political Economy Analysis (PEA)
- Provide support to LSG strengthening reforms via forums

ADMINISTRATIVE AND STAFFING MANAGEMENT

Administrative Management

In Year 2, CAMI procured 13 laptops and 13 smartphones as part of the Outcome II activity on introducing the WhatsApp mobile feedback mechanism. Additionally, CAMI purchased 4 projectors to use in the regions. In Year 2, CAMI procured 5 additional laptops for newly recruited staff members. The team also secured a work permit and work visa W 1 extension for CAMI Chief of Party Robert Bodo and renewed obligatory medical insurance for CAMI employees. In Year 2, CAMI conducted an annual inventory and renewed contracts with CAMI vendors for printing, purchasing stationery, and lodging in the regions.

Finally, all fiscal reports were submitted on time, and CAMI does not have any debts towards local authorities' bodies.

Staffing Management

In line with the Work Plan for Year 2, CAMI recruited new Field Officers in the Kochkor, Naryn, Aravan and Nookat regions. Due to an increased workload from adding 18 new partner LSGs, the Project team informed the Home Office about the need to recruit two additional team members - M&E Assistant and Procurement Assistant - in Year 3. The recruitment and selection process began in September 2018.

CAMI recruited drivers in the southern and northern regions of the Kyrgyz Republic to improve the quality of transportation of CAMI staff and optimize project funds.

All project staff members successfully passed their annual performance evaluation. All labor contracts were extended in Year 2.

In Year 2, the project management conducted regular trainings on Ethics & Anti-Harassment 2018, IT Security, Global Security for all staff, and HR policies for newly recruited CAMI staff members.