Capacity Building in Economic Policy for Central Asia
Training Program
1998-2001

Status Report No. 1

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Gulnara Febres

WBI Evaluation Studies
Number ES99-26
World Bank Institute
The World Bank
Washington, D.C.
I. Program Objectives and Strategy

The objective of the program is to reach a critical mass and a network of ministerial and parliamentary policy makers, local government officials, academia and civil society in the Central Asian Republics (CAR), in order to create capacity throughout CAR to provide economic policy advice to business and government in the field of free market economy. To achieve this objective, the program seeks to strengthen economic education, research capability and analytical skills at both the knowledge institution and government levels.

The program's training activities are oriented to expose participants to various options for reform and international "best practice," and to provide them with a forum for dialogue. Program strategy varies from country to country and depends on the structural situation of each country. While there are some common problems and issues affecting all countries, there are also cross-country differences in terms of stages of transition which have implications for program strategy. For example, Kazakhstan and the Kyrgyz Republic are relatively advanced with reforms and they are willing to press ahead. This means our efforts should focus more on the "how to" type of training program for government officials, including best practices to facilitate economic restructuring. Turkmenistan has yet to develop a comprehensive structural reform program in a serious way. Uzbekistan, more advanced than Turkmenistan and Tajikistan, has adopted a gradualist economic reform program and still tightly controls economic activity, especially in the external sector. This means that the design of the seminars should be geared to the specific issues faced by each Republic,
and should involve in a participatory way the trainers and government officials who were already trained by the program.

In order to address the particular situation of transition economies in Central Asia, the program combines formal training, social debates and development knowledge types of activities. The program will be implemented over a period of three years (1999-2001), each year corresponding to a specific phase. The first phase, FY 1999, aims at increasing consensus for economic reform in CAR countries through the training of government officials, establishing alumni associations, launching a working paper series, as well as training trainers who will provide knowledge and expertise on macroeconomic policy issues in their region.

II. Program Activities

As of March 30, 1999, six program activities have been completed within the framework of the program (see Annex 1). They are:


Regional Workshops

The first regional activity was the conference, "The Central Asian Economies after the Russian Crisis", held in Almaty, Kazakhstan, on December 2, 1999. The conference launched the program by making an assessment of the current situation in the region. Several key issues were discussed among the 58 participants, such as the effects of the Russian crisis on CAR countries, policies to be revisited in light of the crisis, different characteristics of contagion across CAR, as well as domestic policies in order to prevent the spreading of the crisis (see the Back-to-Office Report, conference agenda, and list of participants). The conference was designed and delivered in collaboration with World Bank Operations.

A broad range and variety of participants attended the conference. This allowed actors from different sectors to exchange views and strategies on common concerns and challenges in their region. Participants’ profiles included: professional economists, trainers from four Central Asian Republics:
Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan, representatives from World Bank Institute (WBI) partner institutions in these countries, representatives from the World Bank’s Resident Missions, donor organizations, mass media and key government officials from Kyrgyz Republic and Kazakhstan. The conference succeeded in providing a forum for dialogue and networking among participants from CAR, who discussed alternatives to address macroeconomic issues. Participants’ feedback indicated that the conference improved their understanding of the effects of the Russian crisis in their countries and provided them with some guidelines for designing policy responses to prevent and minimize crisis effects.

The Regional Meeting of WBI Partner Institutions took place in Almaty on December 3, 1999. The regional meeting aimed at establishing and discussing the framework for program implementation between WBI and its partners, giving the latter the opportunity to exchange their feedback, become familiar with the World Bank financial and administrative procedures and evaluation processes, as well as prepare the following steps. Fifty representatives of WBI partner institutions and trainers from Kazakhstan, Kyrgyz Republic, Uzbekistan and Tajikistan, participated in the meeting. The results of the meeting included a formal agreement between WBI and its partners on the content and implementation of the program, as well as on the formal division of labor and task assignments, and the adoption of working procedures. The meeting concluded with a group visit to three partner institutions in Kazakhstan—the International Business School at Kazakhstan State Academy of Management; the Alma-Ata School of Management at International Academy of Business; and the Institute for Development of Kazakhstan.

The Training of Trainers Course on Economic Growth and Poverty Reduction took place in Istanbul, Turkey, from January 25 to February 5, 1999. The course was held at Bogazici University, an institution with which WBI has established a formal partnership. Thirty people participated in the course, including 28 academicians and researchers from major universities and research institutions in CAR countries (Kazakhstan, Tajikistan, Uzbekistan and Kyrgyz Republic).

The evaluation conducted by WBIES showed that most participants welcomed the opportunity to create effective networks for exchange of information, one of the core objectives of the program. To this end, 96.4% of respondents expressed willingness to actively participate in the network established by the program. In terms of content, all respondents indicated that the course increased their understanding of new economic growth issues. With respect to the relevance of the course to their future work or functions, respondents gave, on average, a rating of 4.72 on a scale of 1 to 5 (1=minimum; 5=maximum). This highly positive response, combined with respondents' strong motivation to participate in the network, highlights that the training course reached its goals. Respondents also made suggestions regarding the importance of allocating more time to discussions with panelists, inviting more experts from participating
countries, and intensifying the use of information technology in course delivery—e.g. posting relevant material on the.

**National Introductory Courses on Market Economics: Principles and Policy**

Training government officials on macroeconomic policy is one of the key components of the program. Over the past 6 months, three national training courses were delivered in Kyrgyzstan and Kazakhstan. These training programs, implemented at the request of Central Asian countries' governments, were delivered by local WBI trainers, and consisted of two-week courses in market economics—principles and policy. The main goal of the courses is to improve the professional skills of CAR public administration and economic ministries to foster their understanding of key reform issues in the transition to market economies.

The first national training seminar was held in Bishkek, Kyrgyzstan, from March 9 to 19, 1999, at the facilities of the Retraining Institute of the Kyrgyz State National University. Kyrgyz trainers and experts, who had previously been trained by WBI, delivered the respective lectures and seminars. The course was attended mainly by government officials from the Ministry of Finance, National Bank, State Tax Inspectorate, State Committee on Competition Protection and Entrepreneurship Support, State Treasury, Investment State Committee, Customs Inspection, National Statistics Committee and Social Fund.

The most systematic tools used to measure program learning outcomes up until now have been end-of-seminar questionnaires and content-related tests. In general, ratings on the questionnaires range from 4 to 5 on a 5-point scale, where 1 indicates "below expectations" and 5 indicates "exceeded expectations". Such indicators as "usefulness of attending the seminar" and "achievement of seminar objectives" are standard to all questionnaires that are otherwise tailored to each audience type.

Evaluation questionnaires collected by field coordinators show that respondents considered the courses very successful. Out of 32 participants, 31 respondents completed the questionnaire. Of these respondents, 100% regarded the course as highly informative and 93% expressed satisfaction with the structure and volume of the material presented. Questionnaires also indicate that the average knowledge of participants increased significantly over the course of the seminar.

The second training course was held in Almaty, Kazakhstan, from March 15 to March 27, 1999. Local WBI Kazakh trainers delivered the seminar, which was attended mainly by government and administration officials from different cities and administrative regions. These include: Almaty Oblast, Kapchagai City, Illisikaya Oblast, Taldykorgan Oblast, Almaty City, and Zhetysusuk, Uigursk, Sarkand, Almalinski, Aksukski, Auezovski, Balkhash, Karatal'ski and Turksibski Regions. Most participants represented the Economic Committee of their
respective region. Other participants were from Departments of Economics, City-Planning and Architecture, Agency of Monopoly Regulation, Small and Medium Business and Treasury.

The evaluation results show that respondents were generally satisfied with the seminars. Data shows, however, that a certain percentage of respondents found that they did 'not quite' acquire the information they hoped to, especially in the sessions on Microeconomics (38%) and Macropolitics (32%). Moreover, though most respondents considered the course material relevant, data shows that some respondents found the material complicated for the above sessions (17% for the session on Microeconomics and 16% for Macropolitics).

The third national training seminar was held in Bishkek, Kyrgyzstan, from March 23 to April 2, 1999, at the Kyrgyz State National University. Local WBI Kyrgyz trainers and experts delivered the seminar to an audience of 32 people, consisting mainly of government officials from Chui Oblast and of officials from the Ministry of Finance, State Tax Inspectorate, State Committee for Protection of Competition and Entrepreneurship Support, State Treasury, Custom Inspectorate, the National Statistics Committee and the Social Fund. Two teachers of economics from the Kyrgyz State National University and State Mining Institute also participated in the seminar. Participants included university-trained professional specialists.

At the end of the training seminar, thirty-two persons completed the evaluation questionnaires, out of which thirty were statistically processed (in this case, the 30 comprise the "respondents"). Evaluation results indicate that respondents considered the course to be very successful. All of the respondents regarded the course as highly informative, providing basics of market economy and modern economic analysis. The majority (94%) expressed satisfaction with the structure and volume of the material presented and 91% considered lectures and seminars very appropriate. At the same time, 20% felt that it was necessary to give more attention to case studies. Overall, respondents found the course very useful and recommended it highly for their peers. They also stressed the need for continuous training courses on market economy in transition period in their region.

In the coming months, fifteen two-week training courses are scheduled to be conducted in CAR countries. In Kazakhstan, seminars will be delivered in Zhambyl (April 19-30), Aktyubinsk (May 17-29), Petropavlovsk (June 21-July 3), Ust-Kamenogorsk (July 19-31) and Karaganda (August 9-21). In Kyrgyzstan, seminars will be conducted in Osh (April 19-30), Jalal-Abad (April 26-May 7), Issyk Kul and Naryn (May 10-21) and Talas (June 7-18). In Uzbekistan, there will three four-week courses in Tashkent (May 10-June 6; June 14-July 11; and July 19-August 15). Finally, three seminars will be conducted for Tajikistan in Almaty, Kazakhstan on April 10-22 and May 3-14 (the date of the last seminar for Tajikistan is yet to be determined).
The program entails several types of partnership. First, the partnerships created by the program within the countries link national leaders with local government administrators, as well as university communities.

In addition, established ties also cross national boundaries and allow for comparative and supportive dialogue between and among policy makers, academics and researchers in Central Asian countries. This is particularly true among the established country teams: in order to promote cross-fertilization and maximize learning, international ties are nurtured through regional activities, like the Regional Meeting of WBI partner institutions held last December.

**Partner Institutions**

The program is working with multiple partner institutions in the countries. One principal partner was selected in each participating country to coordinate and facilitate the implementation of the country specific programs. These partner institutions, listed below, are typically state universities, government training institutions for civil servants, or non-governmental academic institutions.

*Kazakhstan*

- The Academy of Civil Service Under the President of Kazakhstan ¹
- The International Business School at the Kazakhstan Academy of Management
- The Almaty School of Management at the International Academy of Business
- The Institute for Development of Kazakhstan

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¹ Principal partner institution for the Kazakh program
Kyrgyz Republic

1. The Kyrgyz State National University 2
2. The Center for Social and Economic Research

Uzbekistan

1. The Tashkent State Economics University 3
2. The Academy for State and Public Administration

Tajikistan

1. The Strategic Research Center under the President of Tajikistan 4

IV. Educational Materials

The final editing of the book "Understanding the Transition in Central Asia"—a series of analytical papers prepared by Central Asian scholars—has been completed. The book is expected to be out in September/October, 1999.

V. General Program Evaluation and Monitoring Comments

The remainder of this progress report considers the program's objectives in light of the past six months’ activities. It specifically assesses participant needs and interests in order to facilitate and improve the next stages of the program’s implementation. The following questions frame the analysis:

1. Are the overall assumptions of the program sound?
2. Will the starting conditions enable the program to meet its objectives?
3. What is next for the program?

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2 Principal partner for the Kyrgyz program
3 Principal partner for the Uzbekistan program
4 For the Tajikistan program, which is being held in Almaty, Kazakhstan, a triple agreement has been signed between the WBI, the Kazakh National Statistics Agency, and the Strategic Research Center under the President of Tajikistan.
Are the overall assumptions of the program sound?

Building a network of independent researchers and analysts is a critical factor in developing capacity in CAR countries to provide sound economic policy advice to government and business in a context of transition. This network started to be created at the Almaty regional conference in Kazakhstan on December 2, 1998, where 58 professionals, trainers, economists and government officials from CAR countries participated in the launching of the program. This network was further developed at the Istanbul seminar in Turkey, January 25 to February 5, 1999. Participants of the Istanbul seminar welcomed the opportunity given by the Program to create effective networks for exchange of information, while promoting joint activities between academic institutions of their countries. As mentioned earlier in the report, 96.4% of respondents expressed willingness to actively participate in the network established by the Program.

Respondents at the Istanbul seminar also acknowledged that the lack of fora, in which local policy makers and academicians could exchange views and information, was one of the major obstacles to the design of alternatives for facing current economic problems in their countries. They stressed that there is an urgent need for learning about other countries experiences with macroeconomic reforms, notwithstanding the fact that local realities must always be taken into account when new policies are implemented. In this sense, a vast majority of seminar participants felt that examples from other countries could be adapted to the region.

The training of public administration officials from Ministries of Economics of central and local governments is also an important factor in fostering capacity in CAR countries and facilitating their transition to market economies. The three national training seminars held in Kyrgyzstan and Kazakhstan, as well as the fifteen to come in the following months in CAR, aim towards that goal. Evaluation results indicate participants' satisfaction with the courses and the need for providing on-site training to government officials as no other agencies or organizations offer such services in their region.

Will the starting conditions enable the program to meet its objectives?

A core objective of the Program for the first year is to train about 30 to 35 trainers who will provide sound macroeconomic policy advice in their respective regions. This is done through the delivery of Training of Trainers (TOT) courses, with the objective of expanding local training capacity and increasing the quality of economic training across the region. The first of these TOTs was held in Istanbul, Turkey between January 25 and February 5, 1999. There, twenty-eight academics and researchers from major universities and research institutions in CAR countries (Kazakhstan, Tajikistan, Uzbekistan and Kyrgyz Republic) participated in the course. Respondents rated the overall success of the course with an average of 4.57 (on a scale of 1 to 5, where 1=“minimum” and 5=“maximum”). On the question of relevance of the course, they rated the
course with an average of 4.72. In the following months, these 28 trainers will disseminate their knowledge in their respective regions to government officials and employees with the goal of training 700 of them during the first year.

The program succeeded in reaching the targeted audience in its seminars. The background and expertise of participants met the requirements set by the program. At the national level, government officials participating in training seminars represented a broad range of state institutions involved in economic planning and had either the educational expertise (university level degree) or the professional experience (3 or more years) to benefit fully from the training seminar. At the regional level, participants at the Almaty and Istanbul regional seminars represented key government officials, professional economists, academics and researchers (most of whom had strong backgrounds in economics with advanced university degrees such Master's or Ph.D.). The participants of the Istanbul event were particularly eager to use the opportunity given by the program to create a network of professionals capable of providing sound policy advice to business and government. It is recommended that the Program take advantage of this momentum and start soon to operate the network.

**What is next for the program?**

*Remainder of FY99*

A large number of activities is planned for the coming months to achieve the objectives set for FY99 (see Annex 1). At the national level, **fifteen seminars** will be conducted in Kazakhstan, Kyrgyzstan and Uzbekistan for training government officials to improve their understanding of key reform issues in the transition to market economy. It will remain important that WBI and its partners continue to target participants with relevant expertise and work experience in the field of economics so that they benefit fully from training courses.

At the regional level, a Regional Policy Seminar entitled "**Building a Strategic Vision for Economic Growth in CAR**" will take place in Samarkand, Uzbekistan, in September 1999. In an effort to foster continuity of program activities and facilitate discussions on key policy issues, the best analytical papers prepared by participants of the previous regional TOT in Istanbul will be presented during the seminar. In addition, a policy workshop on **Financial Systems Reform** will be held in Istanbul, Turkey, in September 1999. The workshop will target ministers of finance and top level officials from central banks, security commissions and other government agencies involved in the reform agenda.

To improve and facilitate the monitoring aspect of the Program, a three-month contract has been given to the International Business School (IBS) in Almaty, which will receive training and support from WBIES to collect and analyze evaluation data and questionnaires.
FY 2000

The program will continue its activities to develop and strengthen local capacity in economic policy in Central Asia. Next year, the program will target the completion of up to 3 TOT courses and approximately 18 on-the-job courses for government officials. In addition, there will be workshops, knowledge dissemination activities and distance learning activities.

The activities planned for FY 2000 are still under discussion and are in the planning stage (See Annex 2.) The objectives are to improve the quality of undergraduate training in economics at partner universities, publish seminar proceedings on economic growth, increase managerial and financial capacity of the WBI partner institutions, and improve the curricula of the courses for government officials based on the achievements attained in the TOT Program.
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<thead>
<tr>
<th>Activity</th>
<th>Dates and place</th>
<th>Objectives</th>
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<td>Workshop “Central Asian Economies After the Russian Crisis”</td>
<td>December 2, 1998; Almaty, Kazakhstan</td>
<td>The objective of the Workshop was to start the program by making an assessment of the current situation in the region. Specifically, the discussions focused on the following main topics: 1. Key policy issues to be revisited in light of the Russian experience; 2. Effects of the crisis in Russia on CAR economies; 3. Different characteristics of “contagion” across CAR; and 4. Domestic policies to prevent crisis and contagion in the CAR.</td>
<td>Participants, representing professional economists from four Central Asian countries (Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan), representatives from World Bank Institute (WBI) partner institutions in these countries, representatives from Resident Missions and donor organizations, as well as key government officials from Kyrgyz Republic and Kazakhstan, participated in the workshop. The workshop was attended by multiple representatives of mass media.</td>
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<td>Regional Meeting of WBI Partner Institutions</td>
<td>December 3, 1998; Almaty, Kazakhstan</td>
<td>The objectives of the Regional Meeting of partner institutions included: 1. to launch the new program, Capacity Building in Economic Policy for Central Asia, and, in particular: 2. focus on program financial management, program evaluation, preparation of training materials, planning delivery of the courses for government officials in the respective countries, and selection of program coordinators in the countries.</td>
<td>Representatives of WBI partner institutions and trainers from Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan, representatives of donor organizations, and Resident Missions in Bishkek and Almaty participated in the meeting. The following partner institutions were represented at the meeting: 1. Kazakhstan: International Business School at the Kazakhstan State Academy of Management, Alma-Ata School of Management at the International Academy of Business, Institute for Development of Kazakhstan 2. Kyrgyz Republic: Kyrgyz State National University, Center for Social and Economic Research</td>
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<td><strong>Uzbekistan:</strong> Training of Trainers Course (TOT) on Economic Growth and Income Distribution</td>
<td>Jan. 25- Feb. 5, 1999; Istanbul, Turkey</td>
<td>The objective of the course was to introduce participants to the latest developments regarding the linkages between economic growth and poverty alleviation, and to assist participants in relating the newly acquired knowledge to their own country experiences. The faculty of the course comprised World Bank and Bogazici University experts. Other topics covered in the course included: (a) policies and outcomes during the transition, (b) the role of institutions, (c) sources of growth in transition countries, (d) growth, inequality and poverty, (e) macroeconomic adjustment and its impact on distribution, and (f) the international disparities in income levels and growth rates.</td>
<td>Academics and researchers from major universities and research institutes in Central Asia, as well as staff members (2) from the World Bank Resident Missions in Kazakhstan and Uzbekistan participated.</td>
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<td><strong>KAZAKHSTAN:</strong> Program for Government Officials : National Courses on Market Economics: Principles and Policy</td>
<td>March 15-27, 1999; Almaty; April 19-30, 1999; Taraz; May 17-29, 1999; Aktyubinsk; June 21-July 3, 1999; Petropavlovsk; July 19-31, 1999; Ust-Kamenogorsk; August 9-21, 1999; Karaganda</td>
<td><strong>The main objective is to improve the professional skills of the public administration officials from the economic ministries and to enhance their understanding of key reform issues in the transition to market economies.</strong></td>
<td>The targeted audience includes mid to higher level officials from central and local governments. About 30-35 government officials will take part in each course. There was one offering in the capital city, and all remaining courses will be carried out in the regions.</td>
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<td><strong>KYRGYZ REPUBLIC:</strong> Program for Government Officials. National Courses on Market Economics: Principles and Policy</td>
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<td><strong>The main objective is to improve the professional skills of the public administration officials from the economic ministries and to enhance their understanding of key reform issues in the transition to market economies.</strong></td>
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<td>July 25-August 15, 1999; Tashkent</td>
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<td>TAJIKISTAN: Program for Government Officials</td>
<td>April 10-22, 1999; Almaty, Kazakhstan; (all seminars for Tajikistan will be delivered in Almaty)</td>
<td>The main objective is to improve the professional skills of public administration officials from the economic ministries and to enhance their understanding of key reform issues in the transition to market economies.</td>
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<td>June 1999 (dates TBD); Almaty</td>
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<td>Policy Workshop on Financial Systems Reform: Crises Management and Supervision</td>
<td>June 15-17, 1999; Istanbul, Turkey</td>
<td>The purpose of the workshop is to allow top policy makers to freely discuss the merits of the financial sector reform agenda, accomplishments, failures and the implications of the recent financial crises in Russia and Asia on the development of financial sectors in the transition countries within the ECA region, to compare and contrast lessons learned, and to bring to the table issues that require priority policy implementation at this time.</td>
<td>The workshop will target ministers of finance, and high level officials from Central Securities Commissions and government agencies responsible for financial markets supervision functions to formulate and implement the reform agenda.</td>
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CAPACITY BUILDING IN ECONOMIC POLICY FOR CENTRAL ASIA
TRAINING PROGRAM
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(September 30, 1998 through March 31, 1999)
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This is the first of a series of status reports that are planned for the duration of the program, ‘Capacity Building in Economic Policy for Central Asia’. It describes where the program stands after the first six months of activities. The report was prepared by the World Bank Institute Evaluation Unit (WBIES) and the program coordinator from the Economic Policy and Poverty Reduction division of the World Bank Institute (WBIEP). The program is sponsored by the Eurasia Foundation, the Islamic Development Bank and the Swiss Development Corporation.

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The program's training activities are oriented to expose participants to various options for reform and international "best practice," and to provide them with a forum for dialogue. Program strategy varies from country to country and depends on the structural situation of each country. While there are some common problems and issues affecting all countries, there are also cross-country differences in terms of stages of transition which have implications for program strategy. For example, Kazakhstan and the Kyrgyz Republic are relatively advanced with reforms and they are willing to press ahead. This means our efforts should focus more on the "how to" type of training program for government officials, including best practices to facilitate economic restructuring. Turkmenistan has yet to develop a comprehensive structural reform program in a serious way. Uzbekistan, more advanced than Turkmenistan and Tajikistan, has adopted a gradualist economic reform program and still tightly controls economic activity, especially in the external sector. This means that the design of the seminars should be geared to the specific issues faced by each Republic,
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e.g. posting relevant material on the.

**National Introductory Courses on Market Economics: Principles and Policy**

Training government officials on macroeconomic policy is one of the key components of the program. Over the past 6 months, three national training courses were delivered in Kyrgyzstan and Kazakhstan. These training programs, implemented at the request of Central Asian countries’ governments, were delivered by local WBI trainers, and consisted of two-week courses in market economics—principles and policy. The main goal of the courses is to improve the professional skills of CAR public administration and economic ministries to foster their understanding of key reform issues in the transition to market economies.

The **first national training seminar** was held in Bishkek, Kyrgyzstan, from March 9 to 19, 1999, at the facilities of the Retraining Institute of the Kyrgyz State National University. Kyrgyz trainers and experts, who had previously been trained by WBI, delivered the respective lectures and seminars. The course was attended mainly by government officials from the Ministry of Finance, National Bank, State Tax Inspectorate, State Committee on Competition Protection and Entrepreneurship Support, State Treasury, Investment State Committee, Customs Inspection, National Statistics Committee and Social Fund.

The most systematic tools used to measure program learning outcomes up until now have been end-of-seminar questionnaires and content-related tests. In general, ratings on the questionnaires range from 4 to 5 on a 5-point scale, where 1 indicates "below expectations" and 5 indicates "exceeded expectations". Such indicators as "usefulness of attending the seminar" and "achievement of seminar objectives" are standard to all questionnaires that are otherwise tailored to each audience type.

Evaluation questionnaires collected by field coordinators show that respondents considered the courses very successful. Out of 32 participants, 31 respondents completed the questionnaire. Of these respondents, 100% regarded the course as highly informative and 93% expressed satisfaction with the structure and volume of the material presented. Questionnaires also indicate that the average knowledge of participants increased significantly over the course of the seminar.

The **second training course** was held in Almaty, Kazakhstan, from March 15 to March 27, 1999. Local WBI Kazakh trainers delivered the seminar, which was attended mainly by government and administration officials from different cities and administrative regions. These include: Almaty Oblast, Kapchagai City, Ilisskaya Oblast, Taldykorgan Oblast, Almaty City, and Zhetsysusk, Uigursk, Sarkand, Almalinski, Aksukski, Auezovski, Balkhash, Karatal’ski and Turksibski Regions. Most participants represented the Economic Committee of their
respective region. Other participants were from Departments of Economics, City-Planning and Architecture, Agency of Monopoly Regulation, Small and Medium Business and Treasury.

The evaluation results show that respondents were generally satisfied with the seminars. Data shows, however, that a certain percentage of respondents found that they did not quite acquire the information they hoped to, especially in the sessions on Microeconomics (38%) and Macropolitics (32%). Moreover, though most respondents considered the course material relevant, data shows that some respondents found the material complicated for the above sessions (17% for the session on Microeconomics and 16% for Macropolitics).

The third national training seminar was held in Bishkek, Kyrgyzstan, from March 23 to April 2, 1999, at the Kyrgyz State National University. Local WBI Kyrgyz trainers and experts delivered the seminar to an audience of 32 people, consisting mainly of government officials from Chui Oblast and of officials from the Ministry of Finance, State Tax Inspectorate, State Committee for Protection of Competition and Entrepreneurship Support, State Treasury, Custom Inspectorate, the National Statistics Committee and the Social Fund. Two teachers of economics from the Kyrgyz State National University and State Mining Institute also participated in the seminar. Participants included university-trained professional specialists.

At the end of the training seminar, thirty-two persons completed the evaluation questionnaires, out of which thirty were statistically processed (in this case, the 30 comprise the "respondents"). Evaluation results indicate that respondents considered the course to be very successful. All of the respondents regarded the course as highly informative, providing basics of market economy and modern economic analysis. The majority (94%) expressed satisfaction with the structure and volume of the material presented and 91% considered lectures and seminars very appropriate. At the same time, 20% felt that it was necessary to give more attention to case studies. Overall, respondents found the course very useful and recommended it highly for their peers. They also stressed the need for continuous training courses on market economy in transition period in their region.

In the coming months, fifteen two-week training courses are scheduled to be conducted in CAR countries. In Kazakhstan, seminars will be delivered in Zhambyl (April 19-30), Aktyubinsk (May 17-29), Petropavlovsk (June 21-July 3), Ust-Kamenogorsk (July 19-31) and Karaganda (August 9-21). In Kyrgyzstan, seminars will be conducted in Osh (April 19-30), Jalal-Abad (April 26-May 7), Issyk Kul and Naryn (May 10-21) and Talas (June 7-18). In Uzbekistan, there will three four-week courses in Tashkent (May 10-June 6; June 14-July 11; and July 19-August 15). Finally, three seminars will be conducted for Tajikistan in Almaty, Kazakhstan on April 10-22 and May 3-14 (the date of the last seminar for Tajikistan is yet to be determined).
III. Partnerships

The program entails several types of partnership. First, the partnerships created by the program within the countries link national leaders with local government administrators, as well as university communities.

In addition, established ties also cross national boundaries and allow for comparative and supportive dialogue between and among policy makers, academics and researchers in Central Asian countries. This is particularly true among the established country teams: in order to promote cross-fertilization and maximize learning, international ties are nurtured through regional activities, like the Regional Meeting of WBI partner institutions held last December.

Partner Institutions

The program is working with multiple partner institutions in the countries. One principal partner was selected in each participating country to coordinate and facilitate the implementation of the country specific programs. These partner institutions, listed below, are typically state universities, government training institutions for civil servants, or non-governmental academic institutions.

Kazakhstan

① The Academy of Civil Service Under the President of Kazakhstan
② The International Business School at the Kazakhstan Academy of Management
③ The Almaty School of Management at the International Academy of Business
④ The Institute for Development of Kazakhstan

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5 Principal partner institution for the Kazakh program
Kyrgyz Republic

- The Kyrgyz State National University
- The Center for Social and Economic Research

Uzbekistan

- The Tashkent State Economics University
- The Academy for State and Public Administration

Tajikistan

- The Strategic Research Center under the President of Tajikistan

IV. Educational Materials

The final editing of the book "Understanding the Transition in Central Asia"—a series of analytical papers prepared by Central Asian scholars—has been completed. The book is expected to be out in September/October, 1999.

V. General Program Evaluation and Monitoring Comments

The remainder of this progress report considers the program's objectives in light of the past six months' activities. It specifically assesses participant needs and interests in order to facilitate and improve the next stages of the program's implementation. The following questions frame the analysis:

- Are the overall assumptions of the program sound?
- Will the starting conditions enable the program to meet its objectives?
- What is next for the program?

6 Principal partner for the Kyrgyz program
7 Principal partner for the Uzbekistan program
8 For the Tajikistan program, which is being held in Almaty, Kazakhstan, a triple agreement has been signed between the WBI, the Kazakh National Statistics Agency, and the Strategic Research Center under the President of Tajikistan.
Are the overall assumptions of the program sound?

Building a network of independent researchers and analysts is a critical factor in developing capacity in CAR countries to provide sound economic policy advice to government and business in a context of transition. This network started to be created at the Almaty regional conference in Kazakhstan on December 2, 1998, where 58 professionals, trainers, economists and government officials from CAR countries participated in the launching of the program. This network was further developed at the Istanbul seminar in Turkey, January 25 to February 5, 1999. Participants of the Istanbul seminar welcomed the opportunity given by the Program to create effective networks for exchange of information, while promoting joint activities between academic institutions of their countries. As mentioned earlier in the report, 96.4% of respondents expressed willingness to actively participate in the network established by the Program.

Respondents at the Istanbul seminar also acknowledged that the lack of fora, in which local policy makers and academicians could exchange views and information, was one of the major obstacles to the design of alternatives for facing current economic problems in their countries. They stressed that there is an urgent need for learning about other countries experiences with macroeconomic reforms, notwithstanding the fact that local realities must always be taken into account when new policies are implemented. In this sense, a vast majority of seminar participants felt that examples from other countries could be adapted to the region.

The training of public administration officials from Ministries of Economics of central and local governments is also an important factor in fostering capacity in CAR countries and facilitating their transition to market economies. The three national training seminars held in Kyrgyzstan and Kazakhstan, as well as the fifteen to come in the following months in CAR, aim towards that goal. Evaluation results indicate participants’ satisfaction with the courses and the need for providing on-site training to government officials as no other agencies or organizations offer such services in their region.

Will the starting conditions enable the program to meet its objectives?

A core objective of the Program for the first year is to train about 30 to 35 trainers who will provide sound macroeconomic policy advice in their respective regions. This is done through the delivery of Training of Trainers (TOT) courses, with the objective of expanding local training capacity and increasing the quality of economic training across the region. The first of these TOTs was held in Istanbul, Turkey between January 25 and February 5, 1999. There, twenty-eight academics and researchers from major universities and research institutions in CAR countries (Kazakhstan, Tajikistan, Uzbekistan and Kyrgyz Republic) participated in the course. Respondents rated the overall success of the course with an average of 4.57 (on a scale of 1 to 5, where 1=“minimum” and 5=“maximum”). On the question of relevance of the course, they rated the
course with an average of 4.72. In the following months, these 28 trainers will disseminate their knowledge in their respective regions to government officials and employees with the goal of training 700 of them during the first year.

The program succeeded in reaching the targeted audience in its seminars. The background and expertise of participants met the requirements set by the program. At the national level, government officials participating in training seminars represented a broad range of state institutions involved in economic planning and had either the educational expertise (university level degree) or the professional experience (3 or more years) to benefit fully from the training seminar. At the regional level, participants at the Almaty and Istanbul regional seminars represented key government officials, professional economists, academics and researchers (most of whom had strong backgrounds in economics with advanced university degrees such Master’s or Ph.D.). The participants of the Istanbul event were particularly eager to use the opportunity given by the program to create a network of professionals capable of providing sound policy advice to business and government. It is recommended that the Program take advantage of this momentum and start soon to operate the network.

**What is next for the program?**

**Remainder of FY99**

A large number of activities is planned for the coming months to achieve the objectives set for FY99 (see Annex 1). At the national level, **fifteen seminars** will be conducted in Kazakhstan, Kyrgyzstan and Uzbekistan for training government officials to improve their understanding of key reform issues in the transition to market economy. It will remain important that WBI and its partners continue to target participants with relevant expertise and work experience in the field of economics so that they benefit fully from training courses.

At the regional level, a Regional Policy Seminar entitled **"Building a Strategic Vision for Economic Growth in CAR"** will take place in Samarkand, Uzbekistan, in September 1999. In an effort to foster continuity of program activities and facilitate discussions on key policy issues, the best analytical papers prepared by participants of the previous regional TOT in Istanbul will be presented during the seminar. In addition, a policy workshop on **Financial Systems Reform** will be held in Istanbul, Turkey, in September 1999. The workshop will target ministers of finance and top level officials from central banks, security commissions and other government agencies involved in the reform agenda.

To improve and facilitate the monitoring aspect of the Program, a three-month contract has been given to the International Business School (IBS) in Almaty, which will receive training and support from WBIES to collect and analyze evaluation data and questionnaires.
FY 2000

The program will continue its activities to develop and strengthen local capacity in economic policy in Central Asia. Next year, the program will target the completion of up to 3 TOT courses and approximately 18 on-the-job courses for government officials. In addition, there will be workshops, knowledge dissemination activities and distance learning activities.

The activities planned for FY 2000 are still under discussion and are in the planning stage (See Annex 2.) The objectives are to improve the quality of undergraduate training in economics at partner universities, publish seminar proceedings on economic growth, increase managerial and financial capacity of the WBI partner institutions, and improve the curricula of the courses for government officials based on the achievements attained in the TOT Program.
### ANNEX I

**WORLD BANK INSTITUTE, CAPACITY BUILDING IN ECONOMIC POLICY FOR CENTRAL ASIA (1999-2001)**

**FY 99 ACTIVITIES**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Dates and place</th>
<th>Objectives</th>
<th>Audience</th>
<th>Number of participants</th>
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<tr>
<td>Workshop &quot;Central Asian Economies After the Russian Crisis&quot;</td>
<td>December 2, 1998; Almaty, Kazakhstan</td>
<td>The objective of the Workshop was to start the program by making an assessment of the current situation in the region. Specifically, the discussions focused on the following main topics: 1. Key policy issues to be revisited in light of the Russian experience; 2. Effects of the crisis in Russia on CAR economies; 3. Different characteristics of &quot;contagion&quot; across CAR; and 4. Domestic policies to prevent crisis and contagion in the CAR.</td>
<td>Participants, representing professional economists, trainers from four Central Asian countries (Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan), representatives from World Bank Institute (WBI) partner institutions in these countries, representatives from the Resident Missions and donor organizations, as well as key government officials from Kyrgyz Republic and Kazakhstan, participated at the workshop. The workshop was attended by multiple representatives of mass media.</td>
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<p>| Regional Meeting of WBI Partner Institutions | December 3, 1998; Almaty, Kazakhstan | The objectives of the Regional Meeting of partner institutions included: 1. to launch the new program, Capacity Building in Economic Policy for Central Asia, and, in particular: 2. to focus on program financial management, program evaluation, preparation of training materials, planning delivery of the courses for government officials in the respective countries, and selection of program coordinators in the countries. | Representatives of WBI partner institutions and trainers (from Kazakhstan, Kyrgyz Republic, Uzbekistan and Tajikistan), representatives of donor organizations, and Resident Missions in Bishkek and Almaty participated in the meeting. The following partner institutions were represented at the meeting: 1. International Business School | 50                     |</p>
<table>
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<tr>
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<tr>
<td>WBIEP Training of Trainers Course (TOT) on Economic Growth and Income Distribution</td>
<td>Jan. 25- Feb. 5, 1999; Istanbul, Turkey</td>
<td>The objective of the course was to introduce participants to the latest developments regarding the linkages between economic growth and poverty alleviation, and to assist participants in relating the newly acquired knowledge to their own country experiences. The faculty of the course comprised World Bank and Bogazici University experts. Other topics covered in the course included: (a) policies and outcomes during the transition, (b) the role of institutions, (c) sources of growth in transition countries, (d) growth, inequality and poverty, (e) macroeconomic adjustment and its impact on distribution, and (f) the international disparities in income levels and growth rates.</td>
<td>at the Kazakhstan State Academy of Management ② Alma-Ata School of Management at the International Academy of Business ② Institute for Development of Kazakhstan Kyrgyz Republic: ② Kyrgyz State National University ② Center for Social and Economic Research Uzbekistan: ② Tashkent State Economics University ② Academy for State and Public Administration</td>
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<td><strong>KAZAKHSTAN: Program for Government Officials: National Courses on Market Economics: Principles and Policy</strong></td>
<td>March 15-27, 1999; Almaty; April 19-30, 1999; Taraz; May 17-29, 1999; Aktyubinsk; June 21-July 3, 1999; Petropavlovsk; July 19-31, 1999; Ust-Kamenogorsk; August 9-21, 1999; Karaganda</td>
<td><strong>The main objective is to improve the professional skills of the public administration officials from the economic ministries and to enhance their understanding of key reform issues in the transition to market economies.</strong></td>
<td>The targeted audience is mid-to-higher level officials from central and local governments. About 30-35 government officials will take part in each course. There was one offering in the capital city, and all remaining courses will be carried out in the regions.</td>
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<tr>
<td><strong>KYRGYZ REPUBLIC: Program for Government Officials. National Courses on Market Economics: Principles and Policy</strong></td>
<td>March 9-19, 1999; Bishkek; March 22 -April 6, 1999; Chui Oblast April 19-30, 1999; Osh Oblast April 26-May 7, 1999; Jalal Abad Oblast May 10- 21, 1999; Issyk-Kul and Naryn Oblasts; June 7-18, 1999; Talas Oblast</td>
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June 14-July 11, 1999; Tashkent;  
July 25-August 15, 1999; Tashkent | **The main objective is to improve the professional skills of the public administration officials from the economic ministries and to enhance their understanding of key reform issues in the transition to market economies.** | The targeted audience is mid-to-high level officials from central and local governments. About 30-35 government officials will take part in each course. There will be one offering in the capital city, and all remaining courses will be carried out in the regions. | 105                    |
(all seminars for Tajikistan will be delivered in Almaty)  
May 3-14, 1999; Almaty, Kazakhstan  
June, 1999 (dates TBD); Almaty | **The main objective is to improve the professional skills of the public administration officials from the economic ministries and to enhance their understanding of key reform issues in the transition to market economies.** | The targeted audience is mid-to-higher level officials from central and local governments. About 30-35 government officials will take part in each course. There will be one offering in the capital city, and all remaining courses will be carried out in the regions. | 60-70                  |
| Policy Workshop on Financial Systems Reform: Crises Management and Supervision | June 15-17, 1999; Istanbul, Turkey | The purpose of the workshop is to allow top policy makers to freely discuss the merits of the financial sector reform agenda, accomplishments, failures and the implications of the recent financial crises in Russia and Asia on the development of financial sectors in the transition countries within the ECA region, to compare and contrast lessons learned, and to bring to the table issues that require priority policy implementation at this time. | The workshop will target the ministers of finance, and top level officials from Central Banks, Securities Commissions and other government agencies responsible for financial markets oversight functions to formulate, design and implement the reform agenda. | 20                     |