The Situation of Children and Young People at the Regional Level in Turkmenistan

Prepared by Turkmenistan Country Statistical Team
Co-ordinator: Ludmila Amanniyazova
National Institute of Statistics, Ashgabat

MONEE Country Analytical Report
November 2004
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AN ANALYTICAL REPORT

THE STATE OF CHILDREN AND YOUNG PEOPLE IN THE VARIOUS REGIONS OF TURKMENISTAN

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INTRODUCTION

At the national level (the first level), the territory of Turkmenistan is administratively divided into five velayats (regions), with the city of Ashkhabad, the country’s capital, constituting a separate (the sixth) region.

The velayat is an administrative and territorial entity comprising etraps (districts) and those cities (under velayat jurisdiction) which are equated with etraps in view of their historical, economic, geographical, demographic and other specific features, for the purpose of ensuring the most efficient and rational state administration and comprehensive development of the territory (the second level).

At present Turkmenistan has 47 etraps. Being an administrative and territorial division of the velayat, the etrap includes cities, towns, settlements and villages.

There are 22 cities in Turkmenistan. The city is an inhabited locality with a pronounced urban infrastructure which is an important industrial, economic and cultural centre and which has good prospects of further development. The main criteria of an inhabited locality being classed as a “city” are the size of its population, its industrial development and the administrative functions it performs, including the provision of recreation facilities and medical services to its citizens. Cities which enjoy the status of an etrap are called “cities under velayat jurisdiction”.

Cities included in an etrap are called “cities under etrap jurisdiction” (the third level). Turkmenistan has 78 settlements, the settlement being an urban-type inhabited locality. In fact, it is the primary administrative and territorial entity within an etrap or a city, which is the administrative centre of the corresponding etrap or gengeshi (a local administrative body). There are 1,906 rural inhabited localities in Turkmenistan. (See Annex, Table 1.)

The following administrative and territorial changes have taken place in the country in the past ten years alone:

- a new etrap, Altyn Asyr, was formed in the Akhal velayat;
- the settlement of Pevrise was granted the status of a city. It is now called Archbil and is part of the Ashkhabad urban agglomeration;
- in the Balkan velayat, the settlement of Bekdash was granted the status of a city and is now called Garabogaz;
- the total number of rural inhabited localities has changed owning to the formation of new gengeshliks or their amalgamation.

Twenty-five etraps, 12 cities and 18 settlements have been renamed.

Studies of the country’s regional socio-economic development are being carried out by the Turkmenmillikhasabat Institute, which is both a governmental agency for statistics and an institute conducting research into the economics.
1. DEMOGRAPHIC TRENDS

Since all processes in society are interconnected, demographic processes are developing under the influence of economic, political and social ones. In their turn, demographic processes influence the development of all other social processes. For instance, a low birth rate leads to an increase in the proportion of pensioners in society and greater workloads on the able-bodied population. Ups and downs in the birth rate produce, in due course, similar fluctuations in the level of employment, the crime rate, etc.

The successful implementation of economic reforms in Turkmenistan and the political and social stability in the country have resulted in higher standards of living for its population and a favourable demographic situation.

The de facto population of Turkmenistan as of January 1, 2004, totalled 6,298,800; of that number 2,942,200 people (46.7%) were living in urban settlements, and 3,356,500 people (52.3%) – in rural areas.

Population growth was noted in all of the country’s regions. During the years of Turkmenistan’s independence the distribution of population over its territory has not changed to any substantial degree. The only exception is the Akhal velayat and the city of Ashkhabad: because of certain administrative changes, a large part of the settlements of the Akhal velayat adjoining Ashkhabad were included in the Ashkhabad municipal administrations.

The Mary velayat has the largest proportion of Turkmenistan’s population (22.7%). Next come the Dashoguz velayat (21%) and the Lebap velayat (20.4%). They are followed by the Akhal velayat (14.5%) and the Balkan velayat (8.5%). The de facto population of the capital, Ashkhabad – the country’s largest city, stands at 827,500 or 13.1% of the country’s total population.

The Balkan velayat is the most urbanized of all: the proportion of the urban population there is about 80%. The largest proportion of the rural population live in the Mary velayat (over 72%) and the Dashoguz velayat (67%). In the areas with a predominantly rural population the proportion of young people and children is above the country’s average (see Table 2), and so is the size of the families.

According to the census conducted in Turkmenistan in 1995 (see Annex, Figure 1), the highest family membership rate was registered in the Dashoguz velayat (6.8 members), and the lowest, in the Balkan velayat (4.9 members) and in the city of Ashkhabad (4.5 members). See Table 3.

The proportion of children under 16 years of age is high in large families (particularly in the Dashoguz, Akhal, Mary and Lebap velayats).

The ethnic composition of Turkmenistan predominate in Turkmens – the titular nation whose proportion markedly increased during the years of the country’s independence. Areas with a large proportion of ethnic minorities are practically absent in Turkmenistan.

**Fertility rate**

In the period from 1995 to 2003 the cumulative fertility rate in Turkmenistan, while remaining relatively high, went down from 3.4 to 2.6 births.

The diminishing fertility rate in the country is primarily due to the implementation of measures aimed at improving women’s reproductive health, particularly by increasing interval between births.
Under a state program called Health it is planned, by the year 2008, to lengthen interbirths interval up to three years.

At present, the highest fertility rate is observed in the Akhal and Mary velayats (2.9 births). Coming next to them are the Lebap velayat (2.7 births), the Dashoguz velayat (2.6 births), whereas the figures for the Balkan velayat, and the city of Ashkhabad are 2.3 and 1.9 births, respectively. Thus, the birth rate remains higher in areas with a predominantly rural population.

**Mortality rate and life expectancy**

Just as fertility rate, mortality rate plays an important part in the reproduction pattern of the population. And so the most widely employed death rate indicator is the crude mortality rate.

The mortality rate in Turkmenistan has shown a tendency towards going down, being 5.5 ppm (promille – per 1,000 population) in 2003, whereas in 1995 it was 6.9 ppm. The lowest mortality rate has been registered in the Dashoguz velayat (5.1 ppm), and the highest, in the Balkan velayat (6.8 ppm). In between are the Lebap velayat (5.5 ppm, which is about the country’s average), the Akhal velayat (5.5 ppm), the Mary velayat (5.3 ppm), and the city of Ashkhabad (5.8 ppm). It should be noted, however, that the crude mortality rate is strongly impacted by such factors as the age structure of the population and the ratio of men and women in the country’s total population.

One of the indices of the actual mortality level and of the socio-economic development of society is the life expectancy at birth. In recent years life expectancy at birth in Turkmenistan has increased from 64.7 years in 1995 to 68.8 years in 2003. This increase has been achieved owing both to male and female cohorts of the population. The life expectancy at birth among women has grown from 67.5 to 72.4 years, and among men from 61.9 to 65.8 years.

Among the velayats, the highest life expectancy at birth was registered in the Dashoguz velayat (over 69.2 years). Coming next were the Lebap velayat (68.6 years), the Mary velayat (68.4 years), the Akhal velayat (67.7 years) and the Balkan velayat (66.9 years) (see *Table 4*). In the city of Ashkhabad life expectancy at birth in 2003 was nearly 71.3 years.

**Gender-related differences in life expectancy at birth**

In 2003, life expectancy at birth among women was over 72.4 years, and among men – nearly 65.8 years. World statistics show that on average women live longer than men in 152 out of the 163 countries of the world. This has a historical explanation: a century-long decline in female mortality rate was due to the generally improved sanitation, particularly by provision of better conditions for motherhood and the decrease in the excessive number of births, as well as by raising women’s social status. At present, in the majority of economically developed countries the difference in life expectancy between men and women is from six to eight years (in Turkmenistan it was 6.6 years in 2003). The said difference is due to a variety of factors, the main being biological and behavioral distinctions.

Incidentally, before Turkmenistan acquired independence it occupied the last place in terms of life expectancy among the constituent republics of the USSR. According to the UN statistics, Turkmenistan is presently ahead of the Russian Federation, Kazakhstan, Moldavia, Belarus and Ukraine in terms of average life expectancy among men.

Living in cities or rural areas influences to a certain degree the life expectancy gap between men and women, as in urban settlements the gap is significantly wider (see *Table 4*). This is due to the fact that industrial labour, in which men are largely engaged, is fraught with the greater threat of physical injury.
Higher mortality rate is observed among men aged 45 and older in cities and among men aged 55 and older in rural areas. For the most part, that is explained by excessive urban mortality rate (51% as against 37% in rural areas) among able-bodied men who die of circulatory diseases (37%), accidents (16%), and infectious and parasitic diseases (14%). Excessive mortality is observed among women aged 60 and older in cities, and women aged 55 and older in rural areas. Regardless of where they live, women increasingly die of circulatory diseases, malignant neoplasms and diseases of the digestive tract.

2. THE REGIONAL STRUCTURE OF THE ECONOMY AND ITS DYNAMICS

The main indicator of a region’s economic development is the Gross Regional Product (GRP). The share of each region in the country’s Gross Domestic Product (GDP) depends on the level of the productive forces development in that region and the existing structure of production, which, in its turn, depends on the territorial, natural, social and labour resources.

World practice shows that the highest GRP level is attained in industrially developed regions where the production and construction sectors predominate in the structure of the economy. In regions with a patently agrarian specialization, which turn out mostly agricultural products, the GRP level is rather low.

The top place on Turkmenistan’s GRP scale (see Figure 2) is occupied by the Akhal velayat (20.6%), and the bottom one by the Dashoguz velayat (10.1%).

The Balkan velayat, which has a well-developed fuel-and-energy industry, accounts for the biggest share of the added value produced in the production sector (33.7%). The runner-up is the Akhal velayat (24.2%), and third place is held by the Mary velayat (18.6%).

The added value created in agriculture is distributed almost evenly among the Akhal, Mary, Dashoguz and Lebap velayats (26.1%, 24.3%, 22.6% and 21.5%, respectively).

The city of Ashkhabad, where large-scale construction of administrative and socio-cultural facilities is under way, accounts for the greatest share of the GRP produced in construction – 44.3%. As the country’s capital, Ashkhabad contributes the biggest share of the added value created in the services sector (35.5%).

In the non-production sphere (public health, education, communal and domestic services, etc.) there is a directly proportionate dependence between the share of the regions (including the velayats) in the GRP production in those sectors and the size of their population. The leaders in this respect are the Mary, Lebap and Dashoguz velayats (see Figure 3).

The per capita GRP ranges from 3.7 million manats in the Dashoguz velayat to 18.6 million manats in the Balkan velayat (see Figure 4).

It should be noted that there are no significant differences among the regions, including the velayats, regarding the aggregate and per capita GRP. In terms of the aggregate GRP, the top three places are occupied by the Akhal, Balkan and Mary velayats, and in terms of the per capita GRP, they are taken up by the Balkan, Akhal and Mary velayats.

Turkmenistan’s government policy is focused on further equalization of the regions’ socio-economic development levels, proceeding from their natural resources and economic and labour potential. Their regional specialization and integration are also taken into account.
The creation of a favourable climate for investments both in the public and non-public sectors, as well as for foreign investments, has ensured high, dynamic rates of the investment process in Turkmenistan. In 1991-2003, investments in the country’s capital assets totalled over US$15 billion.

In 2003 alone, over 15,000 billion manats were allocated for economic development out of all sources of funding. About 50% of total investments was channelled into industrial production, 11% into transport and communications, 9% into agriculture, 5% into geological survey, and 25.7% into other sectors of the economy. Between 20% and 26% of the total volume of investment goes to the Akhal and Balkan velayats and the city of Ashkhabad, and from 8% to 12% to the Dashoguz, Lebap and Mary velayats (see Figure 5).

In 2003 foreign investments totalled 710 billion manats. Investors from Turkey, Iran, Russia, the United States, the United Kingdom and other countries are contributing towards building up Turkmenistan’s capital assets of high technical and technological value. About 96% of foreign investments is channelled into the development of industrial production, including oil production (about 50%), the light industry (over 20%), and construction (nearly 20%). For that reason, foreign investments go mostly to the Balkan and Mary velayats (38.8% and 24.7% respectively, primarily in the fuel-and-energy industry) and to the city of Ashkhabad (32% of investments, mostly in administrative and residential housing projects, etc.).

Turkmenistan still remains a rather poorly computerized country: according to statistical records maintained since 2003, there are 0.004 computer units per capita. Mobile telephony has been introduced just recently.

3. LIVING STANDARDS IN THE REGIONS

Employed in all sectors of Turkmenistan’s economy in 2003 were 2,039,700 people, including 49.2% in agriculture, 13.8% in industry, 5.2% in construction, and 31.8% in other sectors of the economy. Of the total number of employed population, 38.5% were engaged in the private sector. Compared with 1990, the total number of the employed has increased by 38.2% (by 33.5% compared with 1991).

The share of the employed population, including those engaged in household work, was 95%; or 71% if the latter are excluded (see Figure 6).

It should be noted that the level of employment does not vary significantly from region to region. If those engaged in household work are discounted, employment ranges from 65.7% in Ashkhabad and 70.9% in the Dashoguz velayat to 73.6% in the Mary velayat.

More substantial is the gap in average wages and salaries, which is due to different specialization of the regions. Wages and salaries are relatively high in the production sector, particularly in the fuel-and-energy industry.

According to statistical reports concerning the balance of labour resources, the percentage of job-seekers is comparatively low: in 2003 it was 4.9% of the total labour force, and over the last few years it has remained unchanged (2.7% registered at the labour exchange. See Figure 7).

The level of unemployment is higher in urban settlements. Seasonal unemployment is characteristic of rural areas. Availability of land, livestock and poultry increases the employment rate of the rural population.
An analysis of the living standards in Turkmenistan was based on the results of a sample survey of households conducted by statistical agencies jointly with the World Bank in 1998 and with the Asian Development Bank in 2003.

The majority of households monitored (57%) consisted of five or more members; 17% of the households had four members, 11% three, 8% two, and 7% one. The proportion of large households in rural areas was found to be higher than the average and greater than that in urban settlements: it was 69.4% in rural areas and 43.7% in urban settlements.

Compared with the previous living standards survey conducted in 1998, the following two main differences have been revealed:

- A decreased share of large households consisting of four or more members, which accounted for 82% in 1998;
- A higher share of households consisting of one or two persons, which accounted for 4% and 6%, respectively, during the previous survey.

The above-mentioned tendency is characteristic of both the urban and rural areas.

The structure of households according to size varies not only between urban and rural areas but also across regions (see Figure 8).

The income level in the period under review was shaped by the general economic factors, the socio-demographic features of households, the economic activity of the respondents and the property status of the family.

Current household income was adopted as a cumulative index of a household income. This includes all current monetary incomes, receipts in kind from personal subsidiary plots in monetary terms and other sources, without considering any social transfers and accumulated property.

For the purpose of the survey incomes received were broken down by urban and rural households by region, by income level group and other criteria. An analysis was based both on the income indices per household and the individual income per member of the household so as to evaluate more objectively the income levels of families with due account of their size.

According to the data of the survey conducted in 2003 (see Table 5), the average monthly income of a household, including receipts in kind, totalled 3,286,000 manats; the figure for the urban settlements was 3,189,600 manats, and for the rural settlements, 3,378,800 manats, which averaged out as 773,000, 878,200 and 672,300 manats, respectively, per one household member. The absolute amount of monthly incomes of rural households was above the average, mostly owing to the in-kind receipts calculated in monetary terms. Specifically, the average monthly income of a rural household was 102.8% of the average figure. Because of the large families with dependants in the rural areas, the individual income per member of a household was below the average figure and accounted for 87% of it.

An analysis of the data in Table 6 has shown that the correlation of incomes per household and per member of that household, varies from region to region. In the city of Ashkhabad the growth rate of individual incomes, compared with the average index, is considerably higher than the growth rate of household incomes. A similar trend has been observed in the Balkan velayat. This is due to the fact that in the city of Ashkhabad and in the Balkan velayat the proportion of urban population is higher and the family membership rate is lower than in other areas. The reverse trend has been observed in all the other velayats. For instance, in the Lebap velayat individual incomes in households exceed
the average figure to a lesser extent than in the case of household incomes; in the rest of the velayats, where household and individual incomes are lower than the average, the decrease rate of the latter was higher. Individual income in households in the velayats with agricultural specialization (the Akhal, Dashoguz, Mary and Lebap velayats) was lower than the average for the country, owing to the predominance of large families in rural areas.

The 2003 living standards survey has revealed that since the previous survey conducted in 1998 two main positive trends have appeared, trends that indicated a steady improvement in the living standards of people in Turkmenistan, as well as the country’s achievements in implementing the government policy aimed at securing higher incomes and better social protection for the population. These are:

- stable and high growth rates of incomes across the regions;
- a levelling-off of incomes by region and by household income group.

As a result of government policies pursued in 1998-2003 to regulate the size of monetary and in-kind labour remuneration in various sectors of the economy and of social benefits, incomes of households increased 6.1-fold during the period.

The gap in the aggregate incomes of households by region has also narrowed down. In 1998, only the households in Ashkhabad exceeded the average level of income. In 2003, however, the Balkan and Lebap velayats – besides the city of Ashkhabad – had a similar surplus. Households of the Akhal and Mary velayats have come closer to the average level of incomes. But in the Dashoguz velayat the relevant gap has widened, though slightly. The levelling-off of household incomes across the regions is also witnessed by a significant narrowing of the gap between the maximum and the minimum levels of income there – from 60% in 1998 to 17.5% in 2003 (see Table 6).

Earned incomes predominate in the structure of household incomes (see Figure 9).

The above tendency is characteristic of all the regions and urban areas. In rural localities the share of earned income in the overall incomes of households is approximately 50%. The introduction of market-oriented reforms in the country and the implementation of the government policy of increasing employment and improving the population’s living standards have brought about a rise in the share of earned incomes. The expansion of the non-public sector of the economy and the introduction of a land reform have opened up opportunities for creating new jobs and obtaining earned incomes.

Earnings derived from personal subsidiary plots and other sources come second after earned incomes. On average, they constitute one-fifth of the aggregate incomes in all households. This income component is very important for people in the rural areas where it is 70% above the average.

The third place in the aggregate gross income is taken up by social transfers. For several reasons these have greater significance for urban households. The first is associated with the fact that educational institutions are located mostly in urban localities and that there are more students in urban households, who receive grants and live at home. In keeping with the accepted registration methodology, students from rural localities who are studying at a place other than that of their household place of residence and who have been staying out of their household for more than nine months are not registered as members of that household. The second reason is that the average size of pension or allowance is larger in cities than in rural areas. This source of income has the greatest significance for the city of Ashkhabad among all the regions. In addition, the proportion of pensioners is higher in urban households.
The formation of a mixed economy has led to the emergence and development of a new source of income – property income (the leasing of immovables, personal property, land, cattle, etc.). The proportion of this source in the aggregate incomes of the households is none too great yet (an average of 0.3% countrywide, and 0.4% in the urban settlements). However, compared with the data obtained during the sociological survey of 1998, when the similar indicator was found to be less than 0.1%, the said proportion shows the potential for growth in the future.

Also compared with the data of the 1998 survey, the degree of differentiation of the households according to their material well-being has diminished. There are certain peculiarities in the distribution of household incomes by quintile groups in the regions (see Table 7).

The concentration of incomes in the 20-percent group of high-income households is greater in the Mary velayat than in any other region. The households there account for more than one-third of the total of incomes. The Lebap velayat holds second place in terms of income share in the same group of households – 31.6% of incomes. In the rest of the velayats and in the city of Ashkhabad incomes are distributed among the quintile groups more evenly.

Compared with the data yielded by the 1998 survey, the dynamics of spending by households is characterized by high growth rates countrywide and in each region. This is indicative of an advance in living standards of the people everywhere and the increased ability to meet their requirements in food, commodities, services, etc. with the incomes obtained. The difference in the indices of absolute size of expenditures of the households in the regions had shrunk from 56 percentage points in 1998 to 37 percentage points in 2003; in other words, there was an evening-up of the households’ spending – just as in the case of incomes.

A comparison of the growth rate of spending by households with the growth rate of their incomes during the 1998-2003 period shows that everywhere (except in the Mary velayat) expenditures grew more slowly. This is a proof of a rise in the people’s living standards and the ability of households to set aside savings for buying the commodities they need and meeting other requirements. During the 1998 living standards survey it was found that everywhere in the country, with the exception of the Dashoguz velayat, the current nominal expenditures of the households were higher than their incomes.

The most objective picture of the use of domestic budgets is presented by the index of the size of disposable income which forms the basis of consumer spending. Households spend a part of their nominal incomes to pay taxes, charges and other dues, and spend another part for personal consumption and personal savings. Nominal incomes less compulsory payments form disposable incomes.

The state policy of exacting taxes and compulsory payments from the people’s incomes during the transitional economic period in Turkmenistan is aimed at protecting the interests of its citizens and creating conditions for them which make it possible to augment the expenditures of households. Practised in the country is concessional taxation treatment of the incomes of people in rural areas. Rural dwellers are practically exempt from taxes of all kinds. Therefore, according to the survey, the percentage of compulsory payments in the overall spending of the households in Turkmenistan is rather low – 0.5% of their nominal expenditures. The low proportion of compulsory payments in expenditures tends to increase the disposable incomes which are mainly used for consumer spending.

An analysis of the main ways in which disposable incomes are used (see Table 8) shows that households are capable of, apart from incurring consumer expenses, setting aside current incomes for the purpose of purchasing costly commodities or resolving other family problems. This tendency
is typical of the country as a whole, both of the urban and rural households. According to the survey, rural households have a stronger inclination towards saving. This is related to the fact that money incomes are lower in the villages, which compels people to gradually accumulate the funds required to make certain purchases. The tendency towards current accumulation of funds is typical of all regions except the city of Ashkhabad and the Mary velayat, but it is particularly manifest in the Balkan, Dashoguz and Akhal velayats.

Accumulated savings make it possible for the people to buy durable goods, including automobiles. In the 1995-2003 period alone, the number of passenger cars in the country grew by 23%. Whereas in 1995 there were 49.6 automobiles per 1,000 population, the relevant figure in 2003 was 54.5. Taking the average number of car owners in Turkmenistan as 100%, we find that their number in Ashkhabad is nearly 200%, in the Akhal velayat – over 124%, in the Balkan velayat – 101.3% and in the Lebap velayat – 101.8%. In the Dashoguz and Mary velayats, however, indices are below the average – 69.2% and 67.3%, respectively.

About 90% of the country’s highways have asphalt pavement. The percentage of asphalt-covered roads in the relatively populous velayats is as follows: in the Lebap velayat – 95.6%, in the Dashoguz velayat – 95.1%, in the Mary velayat – 93.1%, in the Akhal velayat – 87.3%, and in the Balkan velayat, where inhabited localities stand far apart – merely 77.3%.

An important indicator of the people’s living standards is housing, which belongs in the category of durable goods (immovable property).

In Turkmenistan, a household had on average a total floor space of 96.5 square meters and a dwelling space of 74.3 square meters, or 24 and 18.3 square meters per member of the household, respectively (see Table 9). The relevant ratio was higher for rural households. Of all the regions, the lowest ratio of both the total and dwelling floor space was registered in the city of Ashkhabad. Owing to the small size of the households in Ashkhabad, the gap between the city’s and the average value of dwelling space and total floor space per member of the household ratio had diminished but failed to reach the average indicator for the country as a whole. High rates of housing provision were observed in the households of the Dashoguz, Lebap and Mary velayats, while in the Akhal and Balkan velayats the relevant indicators were below the average. The lower-than-average level of income in the Dashoguz velayat is to a certain extent offset by the higher-than-average level of housing provision there, which allows to make a comprehensive assessment of the people’s standard of living in the region.

The country’s average housing provision per member of a household was 18.3 square meters of dwelling space. As the construction of private housing is prevalent in rural areas, households there are better provided in that respect than that in urban settlements. A rural inhabitant is 50% better provided with dwelling space than a member of an urban household. Per capita dwelling space below the average was registered in the city of Ashkhabad and the Balkan and Akhal velayats. In the rest of the velayats the relevant indicator was found to be higher than the country’s average – mostly owing to the construction of private housing.

A comparison of the indices of household housing provision registered by the latest survey and that of the previous one (conducted in 1998) shows a tendency towards their growth. In the period under review the estimated total floor space per respondent had increased by 50% – both in the country as a whole and in the rural areas, while in the urban localities it had increased by 60%. A growth in the total floor space per member of a household was registered in all regions except the Balkan velayat. The highest increase was noted in the Lebap velayat.
During that period the average size of dwelling space per member of a household increased by 14.4% countrywide, by 8.3% in the urban settlements and by 19.6% in the villages. A positive tendency towards better living conditions in Turkmenistan is mostly characteristic of the rural settlements where the bulk of the country’s population reside. The better provision of the rural inhabitants with housing, a fact noted both in 1998 and 2003, remains owing to the predominant construction of private housing in the rural areas.

Furthermore, the 2003 survey showed that the population of Turkmenistan was better provided with housing than indicated by the general statistics.

According to 72% of the respondents, the majority of the households had private ownership rights to housing. The proportion of private housing was higher in rural than in urban settlements: 91% as against 53%. In terms of the regions, the highest proportion of the privately-owned housing was in the Lebap velayat (83.6%) and the Dashoguz velayat (83.1%). In the city of Ashkhabad the share of households with private ownership rights to housing was the lowest of all. In the rest of the velayats (less the Lebap and the Dashoguz ones) the percentage of private owners was below the average level.

The provision of housing with conveniences depends largely on the type of this housing and its location.

The majority of households (50.6%), particularly in urban settlements (84.3%), have a centralized water supply source. Some villages (16.8%) and urban settlements (6.8%) have independent water supply systems equipped with pumps; this is especially typical of rural localities. Also, in about one quarter of the rural households water is drawn from wells or is delivered by water tanks.

The use of water supply sources varies by region. For instance, in Ashkhabad 99.1% of the households are provided with a centralized source of water supply and 0.9% have their own water supply system. While 51.4% of the households in the Balkan velayat have centralized water supply, 22% of the respondents said they had to use desalinated water, which is also used, among others, in the Mary velayat (by 32.3% of the households) and the Akhal velayat (by 18.8% of the households). Centralized water supply is below the average level in the Lebap, Dashoguz and Mary velayats, with the prevalence of water pumps and wells, in the Lebap and of natural water sources and desalinated water, in the Dashoguz velayats.

As compared to the 1998 survey statistics, in 2003, provision of households with centralized water supply systems had somewhat improved – from 50.1 to 50.6%. In the period under review, the increased use of purified water for cooking testified to higher living standards in Turkmenistan. In 2003 such water was used by 7.3% of households, mostly in the city of Ashkhabad (15%), the Mary velayat (11%) and the Balkan velayat (9.5%).

The findings of the 2003 survey reveal better statistics regarding provision of the population with centralized water supply compared with the data of current statistical observations. According to the administration’s statistics, in 2003 provision with centralized water supply of apartments in municipal, public and cooperative housing stock reached 38.5%. According to the survey data, the level of provision of the urban households with centralized water supply was 84.3% – 6% higher than the official administrative statistics (which placed it at 78.3%). The gap is even wider in regard to rural households: 18.4% (the figure yielded by the survey) as against 1.9% (the figure in the administrative reports). Compared with the statistics yielded by the previous survey, the population has better access to water supply now. In 1998, 62% of the households complained about an irregular operation of the centralized water supply systems, in 2003 their number had dropped to 20.8%. The main reasons for the irregular operation were: introduction of a definite schedule for
water supply (a reason named by 60% of the households) and malfunctioning of the water supply system (named by 10.2% of the households); 24.4% of the households failed to name the reason. The greater part of the complaints came from urban households.

The majority of respondents described the quality of drinking water and water used for cooking, which had been supplied in the course of the last month, as good (39.9%) or satisfactory (55.9%), and only 4.2% characterized it as bad.

In Turkmenistan, gas heaters and electric heaters were named by the households as the main source of hot water (82.7% and 3.3%, respectively). Only 7.5% of the households had centralized hot-water supply systems. This is due to the fact that the country is well provided with energy resources, and that the population is provided with gas and electricity (within definite limits) free of charge. Compared with the 1998 statistics, the proportion of centralized hot-water supply in the country had doubled by 2003, while the relevant proportion of main hot-water sources (gas and electric heaters) remained roughly the same. Moreover, there was an increase in the use of electric heaters – as a source which is ecologically cleaner. Compared with 1998, the proportion of households using this hot-water source in 2003 had increased by 20%.

The households in Turkmenistan have a practically unlimited access to electric energy sources: 99.6% of them use electric power as the main source of lighting both in the urban and rural settlements. In 2003, households in the city of Ashkhabad as well as the Balkan, Mary and Akhal velayats had a 100% access to electricity. The figure is practically the same as that obtained in the 1998 survey, when 99.5% of the respondents named electric power as the main source of lighting.

The greater part of Turkmenistan’s territory is provided with gas supply which is the main type of fuel used for cooking. Households have an easy access to gas supply lines: 91.8% of them use gas from supply lines to cook with and a further 5.3% use liquefied (bottle-stored) gas, while 1.6% of the households cook with electricity. Only 1.3% of the households use firewood and other types of fuel for cooking. The proportion of the use of supply-line and liquefied gas by territory depends on the density of population. Thus, a greater-than-average proportion of liquefied gas used as a cooking fuel is registered in the Balkan velayat which has a large territory and a low population density.

According to the 2003 survey, the provision of gas supply to the inhabited localities and the households on their territory had improved since the survey of 1998 when 86% of the households used supply-line gas to cook with.

The level of provision of gas supply (both natural and liquefied gas) to the housing stock, identified by the latest survey, is high and approximately coincides with current statistical data.

The households being well-provided with supply-line gas and electricity allows them to use these energy sources for heating homes during cold periods. About 21% of the households had central heating, 27.8% used individual heating systems, 37.4% used a gas heater or a fireplace, 3.7% had mixed heating – central heating plus a gas or electric heater, and 4.7% had an electric heater. Only 3.6% of the households used firewood for heating. The latter case was typical mainly of the rural households in the Balkan and Lebap velayats.

Compared with the 1998 figures, in 2003 the provision of households with central heating was 4% higher, and the use of gas heaters and fireplaces had gone up by 13.4%. The percentage of households using firewood stoves for heating had decreased 3.3 times; such a decrease occurred in equal proportions in urban and rural settlements.
According to current statistical reports, the percentage of apartments provided with centralized sewerage is rather low (32% in 2003, see Figure 10). This percentage is higher in the urban settlements than in the rural areas. In this connection, the indicator is highest in the city of Ashkhabad (91%) and the Balkan velayat (37.4%), and lowest in the Akhal velayat (14.8%) and the Dashoguz velayat (16.8%).

Of the country’s nine theatres five are located in Ashkhabad, and one in each of the velayats (with the exception of the Balkan velayat). The metropolitan theatres, however, go out on regular tours to the regions. In the velayats people have access to all kinds of clubs offering good opportunities for cultural and recreational activities. Depending on the size of the population, the number of such clubs ranges from 103 in the Balkan velayat to 219 in the Mary velayat.

The implementation of priority measures aimed at combating crime and strengthening law and order in the country has made it possible to cut back the crime rate, especially among minors, and to attain stabilization and improvement of the social and legal climate in society. In the 1995-2003 period alone, the number of registered criminal offences went down by 47.4%. Such a tendency is characteristic of all the regions in the country (see Figure 11).

The crime rate varies from region to region, being higher in the urban localities and especially in the capital city, which is only natural (see Figure 12).

The introduction in 1999 of a law on amnesty and pardon to be granted annually in honour of the holy day Gadyr gijesi has helped to cut back the crime rate among previously-convicted persons.

4. EDUCATION

Receiving an education by the citizens of Turkmenistan is regulated by the country’s Law on Education and other regulatory and legislative documents complementing it. According to these documents, all people of Turkmenistan, regardless of gender or ethnic, social and property status, have the right to free education. The majority of the educational establishments offering their services to the population in getting a general secondary or professional education of various levels are state-run institutions financed from the state budget to extend their services to the population free of charge. Some specialized professional educational establishments charge a small tuition fee which covers merely an insignificant part of their current expenses and is regulated by the state.

In accordance with the educational program implemented in the country, joint educational establishments have been set up within the framework of intergovernmental agreements with other countries. These establishments feature more profound training programs. The rising living standards enable many families to educate their children in such establishments on a paid basis. Their instruction fees are not too high and regulated by the national government agencies. Becoming widespread is a system of private instruction courses run on a licensing basis at which tuition fees are also regulated by the state.

During the years of Turkmenistan’s independence, the system of secondary and professional education has been considerably improved in keeping with the Law on Education. It is aimed at the individual’s development on the basis of national and general human values. A legal basis has been set up which guarantees all citizens equal rights in the sphere of education.

The level of literacy in Turkmenistan is high. According to the 1998 World Bank survey, the literacy level among people aged 9 to 49 years was 99.3%. The highest literacy level was found
among the inhabitants of Ashkhabad (99.9%); it was 99% in the Dashoguz velayat and 99.2% in the Lebap velayat. Literacy was high both among the urban and rural population.

Like in any other country, the literacy level of the capital city inhabitants is higher than the nation’s average. Yet there are more people with an incomplete secondary and general secondary education in the Mary and Akhal velayats than in the rest of the country (see Table 10). Furthermore, in the Lebap velayat the percentage of the population with a specialized secondary and higher education is the largest in the country for all of the age groups.

Preschool education is an important part of the educational programs implemented in Turkmenistan. In accordance with the regulatory and legislative acts, children of preschool age are to be educated by parents in conjunction with children’s preschool establishments.

A national program for the education and upbringing of children of preschool age was adopted in Turkmenistan in 1999. It was based on the international Convention on the Rights of the Child, the Constitution of Turkmenistan, and the Law on Education.

Preschool upbringing and education services are offered to the people by preschool establishments of three types – according to the specific functions assigned to them:

- nursery schools catering for children up to three years of age;
- kindergartens which render preschool education services to children aged 3 to 7 years;
- children’s preschool education centres which combine the functions of the first two types of establishments.

The first type of establishments and organizations provide care of small children, and a systemic process of preschool education and upbringing is envisaged for children aged 3 years and older.

Children whose health is weaker than normal attend sanatorium-type preschool establishments, while those with eyesight, hearing, speech and locomotor disorders attend specialized preschool establishments. Also, there are specialized and sanatorium-type groups at general preschool establishments.

The 2003 Asian Development Bank survey showed that the tendency (observed during a similar World Bank survey in 1998) towards dividing functions in the preschool education of under 7-year-old children between their parents and preschool establishments had been preserved. Just as this had been found out by the 1998 survey, in 2003, only 21.8% of children of preschool age attended preschool establishments or had a nurse. The rest of the children were brought up by their parents at home. The under 7 year group covered by the survey included children who were practically seven but had not yet turned seven by the start of the school year and therefore, in the period covered by the survey, were not attending school. The proportion of such children was quite small – 0.7%.

Since the 1998 living standards survey, the correlation concerning the division of functions of preschool child upbringing and education between parents and preschool establishments has shown a tendency towards changing in favour of parents. But this refers to rural localities only. In 2003, the proportion of children attending preschool establishments was 6.5% of the total number of children in the rural households. The relevant figure for the urban households was 44%. Among the total number of children who attended preschool establishments in 2003 rural inhabitants made up 17% as against 30% revealed by the similar survey of 1998. This is due to the greater orientation of rural inhabitants, particularly women, towards family life and children, and the greater ability to perform
these functions owing to the seasonal nature of agricultural work and to being involved in it only part of the time. The possibility of leasing land within farmers’ associations has freed women from the need to work in the field all day and enabled all members of a family to regulate the pressure of farm work with due account for the need to devote themselves to the upbringing of children.

The majority of children of preschool age (up to 80%) attend state-run children’s preschool establishments (CPE), and only about 20% of them attend departmental preschool establishments run by their parents’ employers. Preschool establishments, however, are not filled to capacity: according to current statistical reports, in 2003, there were, on average, 87 children per 100 vacancies; the highest ratio was recorded in Ashkhabad (98%), and the Akhal and Mary velayats (91% in each), while the Dashoguz velayat had the lowest ratio (77%).

According to the 2003 survey, the proportion of children who were being brought up by a nurse had grown, compared with the 1998 survey, from 0.2 to 2.2%. The rise in the living standards over the period under review enabled most of the parents to give their children individual upbringing and preschool education with the help of persons specially hired for that.

In Turkmenistan particular attention is paid to placing preschool establishments as close to the homes as possible. According to parents, in the case of 60% of children their nursery or kindergarten is located less than 500 meters from their home; 22% of them have to cover a distance between 500 meters and one kilometre, and the remaining 18% – more than one kilometre. Greater distances between a child’s home and a preschool establishment are more characteristic of urban areas: for 7% of the children these distances are between 1.5 and 2 kilometres, and for 11% – over 2 kilometres. In all of the regions the index of physical accessibility of preschool establishments (a distance of less than one kilometre) is very high: it ranges from 71% in the Balkan velayat to 93% in the Akhal velayat.

The education system embraces all stages of general education and professional training: general secondary education; basic professional, secondary professional and higher professional education.

There is a nine-year secondary education in Turkmenistan – regardless of the language in which instruction is given. It is compulsory and free of charge. The system of secondary education comprises two stages: stage one, called “Gramota” (reading and writing), embraces the first to third grades, and stage two, called “Znaniye” (knowledge) embraces the fourth to ninth grades.

The program of secondary education is similar to such programs in other countries, but at the same time, it takes national peculiarities into account. Also, there are schools which are run jointly with other countries (Turkey, Russia, etc.) where instruction is given for 10-11 years. There is a state-run residential school, named after Saparmurat Turkmenbashi, for particularly gifted children, and an international residential school in the city of Balkanabat. There also are Turkmen-Turkish residential schools.

Under the new education policy, special attention is given to developing students’ individual abilities. At the start of the 2003/04 academic year, 47% of Turkmenistan’s schools worked according to a program of in-depth study of certain disciplines; over half of those schools (54%) were in the rural localities.

As a rule, nearly all the children of school age in Turkmenistan are covered by secondary education since, under the country’s Constitution, it is both compulsory and free of charge. The only exception from the rule are children uneducable for health reasons. Nationwide, secondary education coverage in 2003 was 94.4%; the relevant figure for Ashkhabad was about 87%, the Akhal velayat – 96.7%,
the Balkan velayat – 94.4%, the Dashoguz velayat – 91.1%, the Lebap velayat – 98%, and the Mary velayat – 95.8%.

Approximately 70% of the schoolchildren attend school in the morning (the “first shift”), while 30% – in the afternoon (the “second shift”). This proportion has remained unchanged for the last ten years. Although the students-per-teacher ratio has shown an upward tendency in recent years, it remains rather low and within the norm. The average for the country is 23.4 students per teacher in primary school, and 17.2 students per teacher in secondary school. The ratio tends to be higher in the capital city, the metropolitan velayat of Akhal, and urban settlements in general, and lower – in the rural areas (see Figure 13).

So far, private schools have not become widespread in Turkmenistan.

Higher education is relatively less accessible in Turkmenistan. The reason for this is not so much the fact that most schools of higher learning are located in Ashkhabad as the existence of indirect curbs: limited admission to colleges and universities, particularly high demand for certain professions, etc. The majority of specialized secondary schools are also to be found in Ashkhabad.

To create better opportunities for broader sections of the population to receive a higher or specialized secondary education in all of the country’s regions it would be expedient to organize, on a paid basis, evening and correspondence courses as well as to set up private professional education establishments – none of which are so far widespread in Turkmenistan.

5. PUBLIC HEALTH

Maternal and child health is a priority concern for the Turkmenistan health authorities. The following national programs have been adopted to minimize infant mortality:

- immunoprophylaxis;
- acute intestinal diseases control;
- predominant breast-feeding;
- health education of schoolchildren in the first to fourth grades.

Owing to birth interval extension measures, improved nursing and timely health services, infant mortality in the country has dropped substantially: from 47% in 1991 and 42.2% in 1995 to 16.4% in 2003. However, despite these achievements, the rate of infant mortality in Turkmenistan is still higher than in the developed countries of the world (see Table 11).

In 2003, the lowest infant mortality rate was registered in the Dashoguz velayat (14.3%) and the Lebap velayat (14.8%). The highest mortality rate among children up to 12 months old was in Ashkhabad (23.4%) and the Balkan velayat (21%). The Mary and Akhal velayats were in between with 15.2% and 17%, respectively (see Table 12).

In first place among the main causes of infant mortality are respiratory diseases that account for 41% of fatalities. Diseases of the perinatal period, which includes the intrauterine development of the fetus, as well as natal and postnatal complications account for 27.6% of fatalities and hold second place in this respect. Third place belongs to infectious and parasitic diseases which account for 12.2% of infant mortality. The situation is actually the same in all of the country’s regions.

The majority of infant deaths occur during the early neonatal period. Prevalent in the structure of neonatal mortality are intrauterine hypoxia of the fetus and asphyxia of the newborn, as well as
intrauterine infections and congenital malformations. In the 1991-2003 period, neonatal mortality decreased 66.7% in Turkmenistan, which is also true of early neonatal mortality (0 to 6 days).

For the most part, neonatal mortality is caused by premature birth, congenital malformations, birth traumas, certain diseases suffered by the mother during her pregnancy, etc. Such a death is caused primarily by antenatal factors – those that have acted on the infant’s organism indirectly, via the organism of the mother during the intrauterine development of the fetus. In such cases, the incidence of death is the highest during the first week of the infant’s life, and especially on the first day.

Very important in cutting back neonatal mortality are antenatal prophylaxis measures – prenatal care, pregnant woman labour safety, improved living conditions, etc.

In 2003, postneonatal mortality (children dying when they are from one to 12 months old) dropped 66.7% compared with 1991. Death at that age is mostly caused by pneumonia, gastrointestinal diseases and other ailments which largely depend on the infant’s environment.

As far as the velayats are concerned, the highest morbidity rate among children aged 0-14 years, including respiratory diseases, has been registered in the Mary velayat, and the lowest – in the Balkan velayat. The highest incidence of infectious diseases, however, was recorded in the Balkan velayat (60% higher than the country’s average), which was primarily due to the poor quality of drinking water there.

Proceeding from the abovementioned causes of infant and child morbidity and mortality, the Ministry of Health and Medical Industry of Turkmenistan has outlined the following set of measures aimed at reducing the incidence of such diseases or even preventing them:

<table>
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<th>Causes of infant mortality</th>
<th>Corrective measures</th>
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| Iron-deficiency anemia, liquidation of iodine deficiency conditions | Simple, generally available measures:  
  - breast-feeding, raising the number of breast-fed infants to 95.5% of their overall number;  
  - integrated management of childhood diseases;  
  - safeguarding reproductive health;  
  - promoting the effectiveness of perinatal assistance. |
| Diseases of the respiratory organs | - Immunoprophylaxis and combating acute respiratory diseases. |
| Complications of birth and postnatal period | - A careful prenatal diagnosis of the existing pathologies at the prenatal stage and taking care of the fetus.  
  - Providing value-added medical services to newborns and children aged 0 to 6 years and ensuring the coverage of all members of their families with health-building and therapeutic services.  
  Placing higher demands on the qualification and professional training of obstetrician-gynaecologists and neonatologists in rendering medical assistance both during the prenatal and postnatal periods, as well as during birth.  
  - Development and introduction into practice of new advanced methods of diagnostic and treatment of main
childhood diseases

| Infectious and parasitic diseases | - Providing better care to newborns, employing new medical technologies, particularly in regard to infants with low birthweight.  
| | - Teaching children the basic rules of health care: rational diet, sanitation and hygiene, a healthy way of life.  
| | - Perfecting the methods of diagnostic and treatment of diseases.  
| Other diseases | - Social mobilization at all levels with a special focus on a complex approach to health and hygiene instruction given to children.  
| | - Raising medical awareness of the population with regard to nutrition and care of children and their development.  
| | - Providing better care and use of new medical technologies in taking care of newborns.  
| | - Increase the number of family doctor visits to children under one year of age.  
| | - Affording children better access to highly qualified medical assistance.  

These measures will be implemented on the basis of the following national programs aimed at reducing infant mortality: “Immunoprophylaxis for the 10 years of Turkmenistan’s well-being”, “On the ensuring of and support for breast-feeding in Turkmenistan”, “Integrated management of childhood diseases”, “The safe practice of immunization”, and a program to combat diarrhoea and acute respiratory virus infections.

Together with the UNICEF, the government of Turkmenistan provides the country’s population with all the necessary vaccines. Recently a hepatitis B vaccine has been included on the national vaccination schedule.

Steadily growing is the coverage of children under one year of age with vaccination against such infectious diseases as tuberculosis (93% in 1995 and 98.8% in 2003) and measles (92% and 97.1%, respectively). From region to region, no substantial differences have been observed in the level of immunization against such diseases as tuberculosis, diphtheria, pertussis, tetanus, viral hepatitis B, or measles (see Figure 14).

The ratio of doctors (including family doctors) per 10,000 population is the highest in Ashkhabad, which is due to the fact that most of the specialized medical establishments are located in the capital to which people from all over the country come for treatment. The ratio of paramedical personnel is the lowest in the Akhal velayat. But as the velayat’s inhabited localities are situated close to the capital, their residents can make use of its medical establishments. Below the country’s average is the ratio of doctors and hospital beds per thousand of population in the Akhal, Dashoguz and Mary velayats, that is, in the regions where the proportion of rural population is relatively high. There are substantial regional differences in the provision of hospital beds for children. The average for the country (per 10,000 population) in 2003 was 28.1; the lowest ratio was registered in the Akhal and Balkan velayats (8.6 and 10, respectively), and the highest in the Lebap velayat (34.8). In order to
rationalize the distribution of public health institutions, more of the new facilities have been built lately in the Balkan and Dashoguz velayats.

In view of the importance of health care, being realized in Turkmenistan since 1995 is the “Zdorovye” (Health) program which is mainly aimed at improving people’s health status and increasing their lifetime. Under the program, a system of voluntary medical insurance of citizens was introduced in Turkmenistan as of January 1, 1996, along with medical services being rendered by family doctors. A public health system reform being implemented in Turkmenistan provides for guaranteed free medical assistance at state establishments, and at the same time – for the development of private medical practice. A reorganization of the existing network of hospital beds and a medical education reform are being implemented in order to raise the efficiency in the work of the public health services.

6. STATE FUNDING OF THE SOCIO-CULTURAL SPHERE

State budget expenditures in Turkmenistan have been, particularly in recent years, oriented towards development of the socio-cultural sphere and social protection of citizens.

Taxes, duties, various charges and other obligatory payments are the main source of the state’s revenues. The role of the financial system consists in distributing funds among all levels of the budgetary system. The distribution of state funds is carried out both horizontally – among the ministries and departments, and vertically – from the Centralized Budget to the velayat (regional), etrap (district) and municipal budgets. The velayat and etrap budgets are also formed out of local taxes and charges.

The taxation system in Turkmenistan is relatively simple and flexible, effectively responding to changes in the economic situation. The system, which was effective up to November 1, 2004, was formed during the 1991-1993 period and amended later; amendments were introduced primarily in the tax rates and the list of the objects of taxation.

Taxes in Turkmenistan are categorized into state taxes and obligatory payments – on the one hand, and local taxes and charges – on the other. The main sources of the state budget are revenues in the form of the added-value tax (about 30%), allocations by enterprises of all forms of ownership for the purposes of state social security (over 16%) and the profit tax (over 14%).

Agricultural producers (lease-holders) are exempt from making allocations to the state budget for the purposes of state social security.

Lately, a considerable part of the state finances has been formed and redistributed through state funds (including funds for the development of the oil-and-gas complex, transport and communications, agriculture and public health system). From 1997, for the purpose of controlling and regulating state finances, the revenues and expenditures of the state funds were included into the Consolidated Budget of Turkmenistan.

Being addressed in a centralized manner are such objectives of national importance as public services, defence, development of relations with foreign countries, and the evening-up of the financial situation in the regions (Turkmenistan’s Law on the State Budget).

In recent years nearly three-quarters of the state budget have been allocated for public and social services (about 29% – for education, and 14% – for the public health services); in the local budgets such allocations totalled more than 90%.
The proportion of official transfers in the revenues of the local budgets allocated out of the Centralized Budget for the purpose of evening up the socio-economic development of the regions has amounted to 40-45% in recent years.

In the structure of socio-cultural financing the dominant role belongs to education. Planned reduction of the funding of the public health system as well as of the housing and communal spheres is connected with the hospital stock and the number of medical personnel being optimized, and with a gradual transition to paid medical services and privatization of enterprises rendering housing and communal services.

Furthermore, for the purpose of implementing the state policy in the sphere of public health care and further developing the country’s health services and medical industry, the President of Turkmenistan, on March 13, 1998, issued a resolution (No. 4515) establishing a State Fund for the development of the public health care system in Turkmenistan. The Fund’s financial resources are for the most part formed with deductions from the profits of enterprises and medical establishments rendering paid medical services, state voluntary medical insurance premiums (4% of the incomes), and other sources of financing. The Fund uses its financial resources to purchase medicines and medical supplies, as well as to compensate the expenditures on paying insurance benefits, financing scientific research, etc.

On October 25, 2004, the country’s Khalk Maslakhaty (People’s Assembly) adopted a law on approving and putting into effect the tax code of Turkmenistan which came into force on November 1. Under the new law, the overall number of taxes has been reduced. Such types of taxes as the added-value tax, excise duties, taxes for the use of mineral resources, the estate tax, and taxes imposed on the profits or incomes of legal persons will go to the centralized budget. The local budgets will receive fees charged for publicity and advertising, those intended for the development of cities, urban and rural settlements, as well as charges imposed on owners of parking lots, car salesmen and dog owners.

Turkmenistan’s law on the State Budget for 2005 endorsed the following regional budgets: 1,194.2 billion manats for Ashkhabad, 1,064.7 billion for the Akhal velayat, 764.4 billion for the Balkan velayat, 1,472.2 billion for the Dashoguz velayat, 1,777.4 billion for the Lebap velayat, and 1,643.6 billion for the Mary velayat. To even up the socioeconomic development levels of the regions the following allocations were made out of the Centralized Budget: 344.6 billion manats to the Akhal velayat, 945.1 billion to the Dashoguz velayat, 880.2 billion to the Lebap velayat, and 874.1 billion to the Mary velayat. The state policy of evening up the socioeconomic development levels of the regions is carried out by the Economy and Finance Ministry of Turkmenistan. Also aimed at solving this problem is the National Program of Strategic Guidelines for the Political, Economic and Cultural Development of Turkmenistan for the period up to the year 2020.

The country’s consolidated budget envisages pricing subsidies to provide the population, free of charge, with gas, electricity, water and salt supply (for the period up to the year 2020). In 2005, it is planned to allocate for this purpose over 1,526 billion manats, including about 1,250 billion (roughly 82%) out of the state funds of the appropriate ministries and departments.