Project Title: Support to Investment Climate Improvement in Uzbekistan
Project Number: 00103343
Implementing Partner: The Senate of Oily Majlis of the Republic of Uzbekistan
Start Date: June 8, 2017  End Date: 31 December 2019  PAC Meeting date: June 8, 2017

Brief Description

The project aims to support the Senate of Oily Majlis of the Republic of Uzbekistan and other ministries and agencies of Uzbekistan to implement the Action Strategy on five priority directions of development of Uzbekistan adopted by the Government for 2017-2021. In particular, in line with the third direction of the Strategy ‘Priority areas of development and liberalization of the economy’ the Project will provide its support in improving the investment climate to attract foreign direct investments to the economy and the regions to create jobs. The Project will also serve as a platform to coordinate the efforts of other donors and international organizations in this priority area. The project will focus in the following areas:

- Development of proposals on further improvement of legislation in the area of attraction of FDI. The Project will support national partners to study the best international practices and implement those in national legislation development in order to streamline and simplify regulatory framework for investors and entrepreneurs.
- Development of proposals to adapt the institutional and regulatory system in accordance with the updated legislation. The Project will provide advisory support to relevant agencies to bring in the international best practices in attracting and supporting investments and creating jobs. It is also planned that proposals on close coordination of the central and regional authorities in attracting and supporting foreign investments and creating jobs.
- Development of scenarios of economic liberalization paths based on the well-established methodologies and with the help of local and international experts. The Project in close cooperation with partners will develop scenarios of economic liberalization and assess their impact on various segments of the economy and society, and prepare proposals to minimize possible negative consequences.
- Improvement of skills and awareness of parliamentarians, and specialists of the government agencies on reforms aimed at improving the investment climate in Uzbekistan, and exposing them to the best international experience in this field. The Project will assist national partners to study international best practices, to improve their skills through seminars, trainings and learning from foreign experts. The Project will also support the platform for dialogue to inform stakeholders about the ongoing changes and put forward their proposals in improving the investment climate in the country.

Contributing Outcome (UNDAF/CPD, RPD or GPD):
Outcome 1: By 2020, equitable and sustainable economic growth through productive employment, improvement of environment for business, entrepreneurship and innovations expanded for all.

Indicative Output 4 (Gen 0): Policymakers are better qualified in promoting exports/foreign direct investment (FDI) through human development-focused advisory inputs.

<table>
<thead>
<tr>
<th>Total resources required:</th>
<th>USD300,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total resources allocated:</td>
<td>USD300,000</td>
</tr>
<tr>
<td>UNDP TRAC:</td>
<td>USD300,000</td>
</tr>
<tr>
<td>Donor:</td>
<td></td>
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<tr>
<td>Government:</td>
<td></td>
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<tr>
<td>In-Kind:</td>
<td></td>
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<tr>
<td>Unfunded:</td>
<td></td>
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</tbody>
</table>

Agreed by (signatures):

The Senate of the Republic of Uzbekistan
Mr. Sodiq Safiev, First Deputy Chairman

UNDP
Mr. Farid Qarakhunov, Resident Representative a.i.

Date: 09 JUN 2017
I. BACKGROUND

The Action Strategy on five priority directions of development of the Republic of Uzbekistan for 2017-2021 approved by the President Mirziyoyev on February 7, 2017 lays foundation for broad-based, transformational medium-term development plan, which covers five main areas, including institutional transformation, reforming law enforcement and judiciary, economic liberalization and development, reforms in social sector, and ensuring security, ethnic and religious tolerance, and conducting constructive and mutually beneficial foreign policy.

During the years of independence, Uzbekistan has established a solid foundation of national statehood and sovereignty, ensured security, and decent living standards for the population. For ten years the country has been demonstrating stable economic growth of GDP at the level of 8 percent and higher. At the same time, as noted in the Action Strategy, "a comprehensive analysis of the country's development, the changing dynamics of the world economy in the context of globalization and the growing competition require the development and implementation of radically new ideas and principles for further sustainable development of the country".

The Action Strategy and its implementation plan also specifically focus on strengthening the role of the Oliy Majlis, further expansion of its powers in domestic and foreign policy, reinforcement of parliamentary control over the performance of the executive branch of the Government. Whereas the Cabinet of Ministers and other executive agencies with their robust human resources, technical capacities and resources will be chief implementers of the reforms, the Parliament is envisioned to have oversight functions and at the same time help the executive branch to build broad public support for the reforms, and to stay on strategic course.

Based on the strategic priorities outlined by the President the decisions were adopted to strengthen the role of Parliament in expanding international economic cooperation, attracting foreign investments and modern technologies to the regions of the country, development of tourism, strengthening of the country's international image, as well as strengthening of parliamentary control in these areas. It was also decided to introduce the post of the First Deputy Chairman of the Senate of Oliy Majlis with the assignment to lead and control the implementation of programs in this area.

The Committee on Foreign Policy Issues has been transformed into the Committee of the Senate of Oliy Majlis on international relations, foreign economic relations, foreign investments and tourism with the expansion of its structure and powers. This committee, in particular, is tasked with implementing the systemic Parliamentary control over the implementation of the legislation of the Republic of Uzbekistan, programs and plans in the field of international relations, foreign economic relations, foreign investment and tourism, as well as the implementation of norms of international laws in this area in the national legislation, strengthening international image of the Republic of Uzbekistan, promotion of economic interests of the Republic of Uzbekistan in the international arena.

In this context, the Senate of Oliy Majlis of the Republic of Uzbekistan approached UNDP and the World Bank in Uzbekistan to formulate an ‘Improving Investment Climate in Uzbekistan’ project which should aim at inviting national and foreign experts to carry out a comprehensive analysis of the current status of investment and technology attraction to the country’s economy and regions, and develop proposals to significantly improve investment climate in Uzbekistan.

In order to launch this with international expert support from UNDP and WB, the Senate of Oliy Majlis in coordination with the Cabinet of Ministers of Uzbekistan requested UNDP and the World Bank to organize a joint mission to help identify the scope of reforms required for improving the investment climate in the country. The joint UNDP-WB mission (the mission) took place during the week of February 27- March 3, 2017 (the list of mission participants and stakeholders with whom the mission met is attached in Annex 1). The current project document and its proposed work plan is

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1 The Cabinet of Ministers approved an Action plan based on the results of the meeting with the World bank Vice-President Mr. Cyril Muller. The document specifies that the international partner(s) will support the Government in implementation of the “Improvement of Investment Climate in Uzbekistan” project with the objective to engage with national and international experts in conducting comprehensive analysis and elaborating proposals on fundamental improvement of investment climate in Uzbekistan.
guided by the findings of the mission. Moreover, the mission findings are expected to serve as a roadmap for the project implementation and collaboration with the WB and other partners.

The mission highlighted the following key guiding principles for the investment climate improvement in Uzbekistan:

- Investment (domestic and foreign) is a vehicle for job creation and growth;
- Investment underpins innovation, productivity, and competitiveness;
- Investment is fostered by a transparent and predictable business environment.

The mission commended the Government’s balanced policies and sustained economic growth rates achieved. The mission noted that the Government’s strong presence in the economy, direct controls used, and specific set of incentives provided to key sectors helped it steer the economy through difficult times and reach middle income country (MIC) status. However, as also recognized in the Action Strategy, the same factors will increasingly hinder economic growth and will cause the economy to perform below its potential, thus weakening its resilience to withstand future shocks.

In this regard, although Uzbekistan was not featured in the latest Global Competitiveness Report for 2016-2017 of the World Economic Forum, the mission assessed the country based on its visual graph of factors of development as in the transition stage from factor-driven to efficiency driven economy. In order to transform the economic model to this new stage it becomes critical to foster all of the efficiency enhancers to continue the country’s path to upper middle income status as envisioned by the Government.

![Graph showing Uzbekistan's economic transition stages](image)

The meetings of the mission with the Government agencies also demonstrated that the internal thinking process was well underway focusing on every aspect of economy and society. There is also clear understanding that no single solution exists, and consistent, interrelated and properly sequenced reforms will be needed in multiple areas to transform the country and to fully exploit its comparative advantages i.e. growing young workforce, low unit labor cost, relatively well-developed economic and social infrastructure.

As the initial assessment shows, during the implementation of reforms the Government partners will need support in continuous diagnostic, development of alternative scenarios, assessment of trade-offs and upgrading skills to successfully undertake reform strategy. This is clearly an area where international partners can help national institutions.
The “Reform Agenda” proposed by the mission include four types of actions:

- Legislative basis of reforms: improvement of laws, by-laws, regulations in accordance with international best practices;
- Adaptation of institutional structures to bring in-line with the revised legislation;
- Scenarios of reforms: development of proposals to minimize possible negative effects on various segments of the economy and society based on different scenarios of economic liberalization;
- Awareness raising and capacity building: raising awareness and capacity of parliamentarians and specialists of government agencies on reform agenda.

The detailed matrix of reform areas with suggested actions for improving the investment climate in the country and where international partners have expertise to help the Government are outlined in Annex 2.

The mission also noted that in order for the reforms to succeed, the following critical risk factors need to be addressed:

- Critical mass of interlocking reform steps need to be taken.
- Coordinated action by pivotal agencies of reform, as well as donors and international organizations need to be ensured.
- Communication about the logic and promise of the reforms conducted to build trust and broad base support for the reforms.

In this regard, the current project builds on the mission recommendation to build broad-based support for reforms, involve available national resources, bring in international partners, including specialized experts in different fields of reforms matrix outlined and maintain continuous dialogue among all stakeholders.

II. **Strategy**

In its far-reaching structural and institutional reform agenda the Government of Uzbekistan is also strengthening the role of the Parliament, especially of its upper chamber.

Given this new critical role of the Parliament, UNDP project will support the Senate of Oliy Majlis to strengthen its capacity to analyse critical reform paths, to link these with necessary legislative and institutional reforms, explain and promote reform agenda. The project will help the Senate of Oliy Majlis to perform these functions, and at the same time will generate inputs to reform proposals.

In line with the mission recommendations, the project will build its activities based on the provisions of the Action Strategy, and around the “Reform Agenda” proposed by the mission, and will group those four areas into two interrelated activities:

**Activity 1. Based on the international best practices development of proposals for further improvement of the legal framework for attracting foreign investments into the country, as well as analysis of scenarios of economic liberalization with an assessment of their impact on various segments of the economy and society.** In this, the project will rely on cooperation with national research institutions, expert community, as well as its own resources and cooperation with international stakeholders, such as the World Bank, ADB, IMF, and other international and bilateral partners.

Under this activity, the Project in cooperation with multilateral and bilateral partners will support the Senate of Oliy Majlis to evaluate policy proposals on various scenarios of economic liberalization with an assessment of their impact on various segments of the economy and society. It will also be necessary to continuously upgrade and update governance systems to implement reforms, and adapt to new realities. In this regard, the Project will support the Senate of Oliy Majlis to formulate
appropriate KPIs for government agencies based on international indices (such as Global Competitiveness Index, Doing Business, Governance indicators), and to effectively monitor progress and to provide guidance on further improvements.

These will feed into the legislative work, which is a direct function of the Parliament. The Project, based on analytical work done and best practices generated in cooperation with partners, will provide support to the Senate of Oliy Majlis in revising and harmonizing laws related to improving the investment climate. This is believed to support the Parliament to engage in policy discussions with the executive branch during legislative work, complement and add to agenda proposed by the executive agencies.

Activity 2. Support in strengthening capacities of members of the Parliament and specialists of government agencies in the field of attracting investments, as well as raising awareness of the general public about the reforms in this area. The Project will support the national partners to study the international best practices, to strengthen their capacities through seminars, trainings and learning from foreign experts. The Project will also support the platform for dialogue to inform stakeholders about the ongoing changes and put forward their proposals in improving the investment climate in the country. This is in line with the Government’s Programme on the ‘Year of Dialogue and Interests of the People’. The Project will help national partners to conduct surveys/focus group discussions to gauge investors’ and private sector perception to assess and measure the impact of reforms, assess the implementation progress of reforms and bottlenecks, especially with focus on uniform implementation across country.

This is expected to help the Senate of Oliy Majlis to facilitate a platform to test policy proposals, identify better methods and institutional ways to advance the agenda, and generate new ideas. At the same time, such fora will better inform stakeholders about reforms undertaken by the Government and build ownership over its results among stakeholders.

The Project is designed to serve as a dialogue platform for the Senate of Oliy Majlis in its work with the stakeholders in the Government, the public, investors (entrepreneurs), as well as the expert community and international organizations on improving the investment climate in Uzbekistan.

In terms of linkages with the current UNDP country programme, the project will directly contribute to UNDAF outcome 1 “By 2020, equitable and sustainable economic growth through productive employment, improvement of environment for business, entrepreneurship and innovations expanded for all”.

III. RESULTS AND PARTNERSHIPS

Expected Results

To implement the abovementioned strategy the project will undertake the following main activities and interventions.

Activity 1. Based on the international best practices development of proposals for further improvement of the legal framework for attracting foreign investments into the country, as well as analysis of scenarios of economic liberalization with an assessment of their impact on various segments of the economy and society.

a) Analysis and development of proposals for further improvement of the national legislation in the sphere of attracting foreign investments

- Systematization and institutionalization of investment policy measures to reduce the costs of doing business and encourage the flow of investment into the economy and regions of the country to generate new employment opportunities;

- Studying international best practices in the field of business and investment related legislation, developing proposals in close cooperation with stakeholders to adapt legislation, and submitting these proposals to the Government;
b) Analysis and development of proposals for further improvement of the institutional framework for attracting foreign investment

- Support in development of clear criteria and transparent procedures for administrative decisions with respect to investment screening and approval;
- Support to the process of further clarification of roles and accountabilities between different levels of government and among agencies;
- Support to monitoring of progress against key performance indicators (developed on the basis international indices) of government agencies and the economy.

c) Support in formulation of medium-term economic development scenarios, economic liberalization policies, and assessment of their impact on various segments of the economy and society, development of measures to minimize their possible negative impact

- Strengthening the capacity of national partners to use the results of economic analysis in medium-term planning, forecasting and results management.

Activity 2. Support in strengthening capacities of members of the Parliament and specialists of government agencies in the field of attracting investments, as well as raising awareness of the general public about the reforms in this area.

a) Support measures on improvement of skill of key government agencies in the sphere of investment attraction

- Organization of training events, seminars with the participation of international experts to strengthen the capacity of national partners in attracting foreign investments;
- Organization of round-tables, seminars to discuss analytical materials prepared by the Project, as well as by international experts with the purpose to expose national partners to the best international experience and practices, as well as to strengthen their knowledge on key aspects of reforms.

b) The dialogue platform is supported with participation of national and international partners to discuss and validate key reform proposals

- Support provided to conduct investment forums to identify problems and find solutions;
- Support provided to assess progress in investment attraction at meetings with investors, and development of proposals to accelerate reforms where necessary;

The activities outlined provide strategic direction for the project but necessitate further focused and detailed work-plan to ensure strong results orientation. The work-plan will need to be formulated and agreed with the national partner within 2 months of the project launch and updated as necessary to adapt it to evolving progress.

Resources Required for Achieving the Expected Results

The project is embedded within larger context of reforms where the implementing partner the Senate of Oliy Majlis is tasked with implementing the systemic Parliamentary control over the implementation of the legislation of the Republic of Uzbekistan, programs and plans in the field of international relations, foreign economic relations, foreign investment and tourism, as well as the implementation of norms of international laws in this area in the national legislation, strengthening international image of the Republic of Uzbekistan, promotion of economic interests of the Republic of Uzbekistan in the international arena. The project staff with available resources will play key support function to the national partner, however the reforms and key decisions associated will need to come from national partners themselves. For the role envisioned the project has adequate resources, in addition to this other UNDP projects are expected to support these processes as described below. There is also an effort bring in other partners, namely the World Bank Group, EBRD, ADB, KOICA and others to support reform processes in the country.
Partnerships

Engagement of think tanks. UNDP has had long partnership with the lead think-tanks, namely the Center for Economic Research, the Institute of Forecasting and Macroeconomic Research. This is expected to continue with current UNDAF cycle and focus among others on the following areas which will also be very important for the partnership with the Senate of Oliy Majlis to assess reform scenarios:

- Analysis of social impacts;
- Labor market review;
- Capacity building of national experts.

Following the joint scoping mission between UNDP and World Bank, it is expected that a joint action plan will be elaborated to support the national partners on reforms aimed at improving the investment climate. The Project will therefore will be implemented in close coordination with the World Bank in engaging international expertise in line with an agreed upon division of labor. There is interest from other international and bilateral institutions to contribute to the reform processes and to closely work with the Parliament.

Risks and Assumptions

The key assumptions relevant for the success of the Project are that the Government will consistently implement the reform agenda as outlined in the Action Strategy for 2017-2021, and the Parliament will play increasingly active role in these reform processes. The key risks partly stem from these assumptions.

Risk 1. The Government may significantly change its reform agenda, thus possibly making the Project’s key focus areas irrelevant. In this regard, the Project approach is flexible, and does not specify concrete policy measures which will be promoted. Instead the focus is on supporting the national partners to strengthen their capacities, get access to up-to-date and best knowledge, and select the best course of action under given circumstances. In the key ‘economic liberalization’ agenda the Project will also work closely with international partners, thus forming broad based opinion on key proposals. The Project is planned to run for 3 years, whereas the Government’s reform agenda is for 5 years and unfolding at present, thus the likelihood of significant change is low.

Risk 2. The Parliament is envisioned to play increasingly stronger role in the reform agenda, which may not materialize or occur at significantly slower rate (due to various reasons) then is envisioned in the ‘reform agenda’ on which the Project is based on. In this regard, the Project’s first focus area is on legislation improvement which is the Parliament’s direct function. It is expected that the demand for professional review and bringing in the stakeholders’ perspective into law making, and monitoring of their actual implementation by the Parliament will only increase. The Project’s other focus areas serve to amplify the effect of this key area.

Risk 3. The ‘investment climate improvement’ depends on a broad transformation of policies, institutional structures, socio-economic situation, and requires support from many different partners which may not be forthcoming or may take significantly more time to come forward. As the initial discussions demonstrate partners need time to review the reform agenda, adjust their programs and focus their efforts where it matters most and where they have comparative advantages. The Government is in active discussions with international partners, and increasing number of them are pledging their support to the reform processes in the country. A lot will depend on effective coordination from the Government’s side to avoid overlaps and gaps, and demonstration of measurable progress towards development results envisioned in the Action Strategy. The Project is
flexible enough to facilitate processes at broader scale, as well as focus if necessary on key outputs most relevant to the key national partner i.e. the Senate of Oliy Majlis of the Republic of Uzbekistan.

**Stakeholder Engagement**

The main stakeholders of the Project are the Senate of Oliy Majlis, the Central Bank, the Ministry of Economy, the Ministry of Finance, the Ministry of Foreign Trade, the Ministry of Foreign Affairs, the Ministry of Justice, the State Committee for Privatization, Demonopolization and Competition Development, the State Committee for Investments, as well as the Center of “Strategy of development” and other key government agencies economic bloc and investment promotion. The project will also work with the Chamber of Commerce, the National Bank for Foreign Economic Activity of the Republic of Uzbekistan, investors and the private sector within the framework of the dialogue platform on improving the investment climate. An important aspect of the project’s activities will be the coordination of efforts of international and bilateral partners in this direction.

**South-South and Triangular Cooperation**

- The Project will focus on experiences of middle-income developing countries as these are most relevant to the case of Uzbekistan. It is also expected that international partners will expose the Government partners to such relevant experiences, while bilateral donors from developed countries will facilitate triangular cooperation.

**Knowledge**

- The Project will develop analytical reports, briefs on economic liberalization scenarios and their impact on various segments of economy and society.
- The Project will also produce brief analytical materials for justification of new and revised legislation in investment attraction.

**Sustainability and Scaling Up**

- The primary focus of the Project is to strengthen the capacities of the national partner, to demonstrate the value of permanent analytical unit. The Project thus will discuss with the national partner feasibility of establishing the analytical unit as the accepted international experience to ensure sustainability of results.

### IV. PROJECT MANAGEMENT

The project will be located in Tashkent city, and will cover spheres which have national focus. The project will work closely and tap on the knowledge, staff expertise of the below listed UNDP projects.

**BFU project with CCI.** This is another long-term, successful partnership UNDP will rely on to generate concrete proposals to accelerate reforms in business environment. In particular, BFU project has strong expertise in Doing Business reforms, in broader simplification of business licensing/regulation and e-governance mechanisms related to business registration.

**Aid for Trade project with the Ministry of Foreign Trade.** The long-standing UNDP partnership with the Ministry for Foreign Trade has accumulated the wealth of knowledge and information on trade/customs policies, investor information materials, and also successful partnership with the National Investment Promotion Agency “Uzinfoinvest”. The project also experience in organization of trade and investment promotion events, introduction of modern management practices.

**Regulatory Impact Assessment (2nd phase) project.** This is a lead UNDP project in promoting evidence-based policy making tools in legislative and rulemaking process, cost-benefit analysis, and
reducing the administrative burden on investors. The project also has already been working strengthening the parliamentary oversight over executive authorities in overall policy making processes. This will be instrumental to promote new and revised legislation which is based on evidence based analysis and costing the new programs.

**Rule of Law-2 project.** The project is working on new mediation mechanisms for dispute resolution, and proving policy advice on application of international treaties in domestic jurisdiction. The project also introduced e-justice tools and audio-video recording for civil, economic and administrative courts. All these are necessary to enhance transparency, efficiency and reliability of the dispute resolution mechanisms, and justice system in the country.

**Audit Arrangements:** The Audit will be conducted in accordance with the established UNDP procedures set out in the Programming and Finance manuals by the legally recognized auditor.

**Use of institutional logos on project deliverables:** In order to accord proper acknowledgement to UNDP for providing funding, UNDP should appear on all relevant project publications, including among others, project hardware purchased with UNDP funds. Any citation on publications regarding projects funded by UNDP should also accord proper acknowledgement to UNDP. The UNDP logo should be more prominent – and separated from any other logo, if possible, as UN visibility is important for security purposes.

**Cost Efficiency and Effectiveness**

Current intervention strategy is built on the knowledge, experience, lessons learned and findings gained through ongoing projects of UNDP in private sector development, trade and investment, and think-tank development. The Project focus areas have also been suggested by the national partner, and validated by the joint UNDP-WB mission after the meetings with all key relevant government agencies. Based on these and considering UNDP comparative advantage, the activities specified in this pro-doc have been selected as best option to deliver the expected results with available resources.

In accordance with the Letter of Agreement between UNDP and Senate of Oliy Majlis of the Republic of Uzbekistan for the provision of support services, the UNDP Country Office in Uzbekistan may provide, at the request of the Senate of Oliy Majlis of the Republic of Uzbekistan, following support services:

(a) Identification and/or recruitment of project and programme personnel and consultants;
(b) Identification and facilitation of training activities, seminars and workshops;
(c) Procurement of goods and services;
(d) Processing of payments, disbursements and other financial transactions;
(e) Administrative services including travel authorization, visa requests and other arrangements;

Detailed description of services is provided in the Annex 4 of this project document.

The goods procured within the framework of the Project and necessary for the implementation of its activities, in particular IT equipment, software & office furniture shall be transferred to the ownership of the Implementing Partner, unless the Project Board decides otherwise or the goods have been procured from the funds provided by third parties and the agreements with them stipulate other arrangements. The relevant provisions of the Standard Basic Assistance Agreement (SBAA) between the Government of Uzbekistan & the UNDP, signed by Parties on 10 June 1993, incl. the provisions on liability and privileges & immunities, shall apply to the provision of such support services.
V. RESULTS FRAMEWORK

Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework:

UNDAF Outcome 1: By 2020, equitable and sustainable economic growth through productive employment, improvement of environment for business, entrepreneurship and innovations expanded for all.

Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets:

UNDAF Indicator 1.2: Share of unemployed in active labor force. Baseline: unemployment rate 5.2%. Target: unemployment rate 4.9-5% in 2020

Applicable Output(s) from the UNDP Strategic Plan: STRATEGIC PLAN OUTCOME: 1. Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded

Output 1.1: National and sub-national systems and institutions enabled to achieve structural transformation of productive capacities that are sustainable and employment - and livelihoods- intensive

Project title and Atlas Project Number: “Support to Investment Climate Improvement in Uzbekistan” #00103343

<table>
<thead>
<tr>
<th>EXPECTED OUTPUTS</th>
<th>OUTPUT INDICATORS</th>
<th>DATA SOURCE</th>
<th>BASELINE</th>
<th>TARGETS (by frequency of data collection)</th>
<th>DATA COLLECTION METHODS &amp; RISKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output 1</td>
<td>1.1 Existence of regularly revised, and monitored investment promotion reform plan (roadmap)</td>
<td>Dedicated studies conducted by UNDP</td>
<td>Availability</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>1.2 Number of trained experts on analysis of reform scenarios, strategic planning, risk analysis and program costing</td>
<td>Dedicated studies conducted by UNDP</td>
<td>Number</td>
<td>No</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>1.3 Availability of an awareness and advocacy plan to communicate the investment promotion reform agenda with key stakeholders and general public</td>
<td>Dedicated studies conducted by UNDP</td>
<td>Availability</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>
VI. MONITORING AND EVALUATION

In accordance with UNDP’s programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans: [Note: monitoring and evaluation plans should be adapted to project context, as needed]

<table>
<thead>
<tr>
<th>Monitoring Plan</th>
<th>Purpose</th>
<th>Frequency</th>
<th>Expected Action</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Track results progress</strong></td>
<td>Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.</td>
<td>Quarterly, or in the frequency required for each indicator.</td>
<td>Slower than expected progress will be addressed by project management.</td>
</tr>
<tr>
<td><strong>Monitor and Manage Risk</strong></td>
<td>Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP’s Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.</td>
<td>Quarterly</td>
<td>Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.</td>
</tr>
<tr>
<td><strong>Learn</strong></td>
<td>Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.</td>
<td>At least annually</td>
<td>Relevant lessons are captured by the project team and used to inform management decisions.</td>
</tr>
<tr>
<td><strong>Annual Project Quality Assurance</strong></td>
<td>The quality of the project will be assessed against UNDP’s quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.</td>
<td>Annually</td>
<td>Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.</td>
</tr>
<tr>
<td><strong>Review and Make Course Corrections</strong></td>
<td>Internal review of data and evidence from all monitoring actions to inform decision making.</td>
<td>At least annually</td>
<td>Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.</td>
</tr>
<tr>
<td><strong>Project Report</strong></td>
<td>A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk log</td>
<td>Annually, and at the end of the project (final report)</td>
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</table>
with mitigation measures, and any evaluation or review reports prepared over the period.

| Project Review (Project Board) | The project’s governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project’s final year, the Project Board shall hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences. | Specify frequency (i.e., at least annually) | Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified. |
VII. **MULTI-YEAR WORK PLAN**

All anticipated programmatic and operational costs to support the project, including development effectiveness and implementation support arrangements, need to be identified, estimated and fully costed in the project budget under the relevant output(s). This includes activities that directly support the project, such as communication, human resources, procurement, finance, audit, policy advisory, quality assurance, reporting, management, etc. Services that will result in direct project costs need to be disclosed transparently in the project document.

<table>
<thead>
<tr>
<th>EXPECTED OUTPUTS</th>
<th>PLANNED ACTIVITIES</th>
<th>Planned Budget by Year</th>
<th>Responsible party</th>
<th>PLANNED BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output 1</td>
<td>Activity 1. Policy reform proposals on improving the investment climate with corresponding changes to legislation are developed, discussed with relevant stakeholders and submitted to the Government Analytical papers/reports on key/critical reform topics: • Currency convertibility • Customs and Trade regime • Tax regime • Competition policy, price regulation, and PPPs • Investor protection</td>
<td>45,000 45,000 45,000</td>
<td>UNDP</td>
<td>135,000</td>
</tr>
<tr>
<td></td>
<td>Activity 2. Awareness of key stakeholders about reforms on improving the investment climate increased and advocacy for major changes facilitated with analytical evidence base • Round-table discussions involving the stakeholders and partners • Awareness raising programs (articles, one-pagers, infographics, online discussion platforms) • Preparation of Investor Briefs (investment opportunities and incentives information)</td>
<td>32,000 34,000 34,000</td>
<td>UNDP</td>
<td>100,000</td>
</tr>
</tbody>
</table>

**MONITORING**

| Sub-Total for Output 1 | 77,000 79,000 79,000 | 235,000 |

**General Management Support**

| AFA and Administration | 23,000 21,000 21,000 | UNDP | 65,000 |

**TOTAL**

| 100,000 100,000 100,000 | 300,000 |
VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The project activities will be implemented according to the UNDP procedures for national implementation (NIM). The project will be nationally implemented by the Senate of Oliy Majlis of the Republic of Uzbekistan as the implementing partner. The Senate of Oliy Majlis shall retain overall responsibility for this nationally managed project and will appoint the National Project Coordinator (NPC) who will be responsible for providing strategic recommendations, as well as coordinating the Project activities. She/he will approve the annual work plans which will provide the basis for the implementation of the project activities.

The Project Board is the group responsible for making by consensus management decisions for a project when guidance is required by the Project Manager (PM), including recommendation for UNDP/ Senate of Oliy Majlis approval of project plans and revisions. In order to ensure UNDP’s ultimate accountability, Project Board decisions should be made in accordance to standards that shall ensure best value for money, fairness, integrity transparency and effective international competition. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the PM. This group is consulted by the PM for decisions when PM tolerances (normally in terms of time and budget) have been exceeded.

Based on the approved annual work plan (AWP), the Project Board may review and approve project quarterly plans when required and authorizes any major deviation from these agreed quarterly plans. It is the authority that signs off the completion of each quarterly plan as well as authorizes the start of the next quarterly plan. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. The Project Board, if necessary, will also decide on the reallocation of project budget among its activities based on the respective request made by the Project manager. In addition, it approves the appointment and responsibilities of the PM and any delegation of its Project Assurance responsibilities. In particular, the Executive role will be held by NPC, the Senior Supplier role is held by UNDP RR/DRR, and the Senior Beneficiary role is held by a group of representatives from partner government agencies and civil society (see Annex 3 for details).

Project Manager has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The PM is responsible for day-to-day management and decision-making for the project. The Project Manager’s prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost (see Annex 3 for details). Furthermore, to provide technical, administrative and organizational support in the implementation of project activities the following positions will be recruited: Research coordinator on medium-term budget planning and program budgeting; an Administrative and Finance assistant, PR-specialist.

Project Assurance is the responsibility of each Project Board member; however the role can be delegated. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. Project Assurance has to be independent of the Project Manager; therefore the Project Board cannot delegate any of its assurance responsibilities to the Project Manager. A UNDP Programme Officer typically holds the Project Assurance role (see Annex 3 for details).

Project Support role provides project administration, management and technical support to the Project Manager as required by the needs of the individual project or Project Manager (see Annex 3 for details).
IX. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Uzbekistan and UNDP signed on June 10, 1993. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by the Senate of Oliy Majlis of the Republic of Uzbekistan (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

X. RISK MANAGEMENT GOVERNMENT ENTITY (NIM)

1. Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP’s property in the Implementing Partner’s custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
   a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
   b) assume all risks and liabilities related to the Implementing Partner’s security, and the full implementation of the security plan.

2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner’s obligations under this Project Document.

3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml.

5. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

7. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

8. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.

9. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner’s (and its consultants’, responsible parties’, subcontractors’ and sub-recipients’) premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.

10. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality. Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP’s Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

11. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

12. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled “Risk Management” are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled “Risk Management Standard Clauses” are included, mutatis mutandis, in all sub-contracts or sub-agreements entered into further to this Project Document.

XI. ANNEXES

1. List of mission participants and stakeholders with whom the mission met
2. The detailed matrix of reform areas with suggested actions for improving the investment climate in the country
3. Project Board Terms of Reference and TORs of key management positions
4. Letter of Agreement for the provision of support services
5. Project Quality Assurance Report
6. Social and Environmental Screening
7. Risk Analysis
8. Capacity Assessment
Annex 1

List of mission participants and stakeholders with whom the mission met

<table>
<thead>
<tr>
<th>Name</th>
<th>Position/Role</th>
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<tbody>
<tr>
<td>Mr. Balazs Horvath</td>
<td>Director, UNDP Global Policy Center in Seoul</td>
</tr>
<tr>
<td>Mr. Ben Slay</td>
<td>Senior Advisor, UNDP Regional Bureau for Europe and CIS</td>
</tr>
<tr>
<td>Ms. Lisa Kaestner</td>
<td>World Bank Group Trade and Competitiveness Practice Manager for ECA</td>
</tr>
<tr>
<td>Mr. Animesh Shrivastava</td>
<td>WB Program Leader</td>
</tr>
<tr>
<td>Mr. Jan-Peter Olters</td>
<td>WB Country Manager in Uzbekistan</td>
</tr>
<tr>
<td>Mr. Christopher Miller</td>
<td>Central Asia Investment Climate Program Manager</td>
</tr>
<tr>
<td>Ms. Mai Nguyen</td>
<td>Finance and Markets Program Manager</td>
</tr>
<tr>
<td>Ms. Stefka Slavova</td>
<td>Lead Economist</td>
</tr>
<tr>
<td>Mr. Serdar Jepbarov</td>
<td>Senior Portfolio Officer</td>
</tr>
</tbody>
</table>

The organizations with which the mission members met

1. The Senate of Oliy Majlis of the Republic of Uzbekistan
2. Ministry of Justice
3. Ministry of Development of Information Technologies and Communications
4. Ministry for Foreign Economic Relations, Investments and Trade with participation of Uzinfoinvest Investment Promotion Agency
5. Ministry of Finance
6. Ministry of Economy
7. Committee for Privatization, Demonopolization and Development of Competition
8. Central Bank of Uzbekistan
9. National Bank of Uzbekistan
10. Asaka bank
11. Chamber of Commerce and Industry
12. Center for Economic Research
13. GIZ
14. USAID
15. Swiss Development Agency
16. IMF Liaison Officer
17. ADB
### Annex 2

The detailed matrix of reform areas with suggested actions by the mission

<table>
<thead>
<tr>
<th>THE REFORM AGENDA AIMED AT IMPROVING THE BUSINESS CLIMATE (1/3)</th>
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<tr>
<td><strong>AGENDA</strong></td>
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<tr>
<td>Policy, Governance, and Institutions</td>
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| **MOTIVATION** | | | |
|-----------------|------------------|------------------|
| • Investor attraction | • Unified exchange rate | • Credit access for MSMEs |
| • Investor protection | creates more incentives to invest and increases export competitiveness | • Availability of risk capital, non-bank financing to SMEs |
| • Contracts, disputes, arbitration | • Resources flow into sectors with greater competitive potential | • Insurance, other financial tools for risk mitigation |
| • Transparency, predictability | | |

| **ACTIONS** | | | |
|---------------|------------------|------------------|
| • Upgrading legal, regulatory framework for investment activities | • Review various scenarios for FX liberalization | • Sensitivity analysis of banking sector assets |
| • Action plan for more efficient dispute resolution (ADR, specialized courts) | • Model impacts for various productive sectors, regions, and vulnerable groups | • Draft memorandum to enhance competition and increase intermediation |
| • Consolidate business regulations, by-laws | • Assess mitigation measures | • Enhance regulatory regime to promote agri-finance |

<table>
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<tr>
<th>THE REFORM AGENDA AIMED AT IMPROVING THE BUSINESS CLIMATE (2/3)</th>
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<tr>
<td><strong>AGENDA</strong></td>
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<td>----------------</td>
</tr>
<tr>
<td>Policy, Governance, and Institutions</td>
</tr>
</tbody>
</table>

| **MOTIVATION** | | | |
|-----------------|------------------|------------------|
| • Encourage investment by more efficient, job-creating firms | • Tax policy to support investment and job creation | • Larger, more integrated markets |
| • Flow of new technologies and processes | • Transparency and predictability of tax regime | • Flow of new technologies and processes |

| **ACTIONS** | | | |
|---------------|------------------|------------------|
| • Enhance independence of competition authority | • Revise tax regimes to eliminate disincentive for firms to grow | • Draft Memorandum to expand market access thru trade policy/agreements |
| • Update competition laws and by-laws | • Rationalize social contribution to incentivize job creation | • Action Plan to reduce time and compliance cost of border procedures |
| • Strengthen public procurement procedures for transparency and non-discrimination | • Action Plan for improving tax administration | • Action Plan to converge quality management systems and infrastructure to international standards |

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<tr>
<th>THE REFORM AGENDA AIMED AT IMPROVING THE BUSINESS CLIMATE (3/3)</th>
</tr>
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<tbody>
<tr>
<td><strong>AGENDA</strong></td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Policy, Governance, and Institutions</td>
</tr>
</tbody>
</table>

| **MOTIVATION** | | | |
|-----------------|------------------|------------------|
| • Good regulation channels resources to productive investments | • Level-playing field for all investors | • High-tech investments need highly skilled workers |
| • Transparency and less “Red tape” encourage entry and competition | • PPP can attract private investment in infra, utilities and other areas | • Flexible labor market needed to meet industry demands |

| **ACTIONS** | | | |
|---------------|------------------|------------------|
| • Review regulations to align them with public interests and development goals | • Update privatization strategy and Action Plan | • Draft Memorandum on addressing skills gap and labor mobility issues |
| • Ensure (investor) access to quality data | • Prepare viable PPP framework | • Action Plan to increase access to tertiary and vocational education |
| • Develop strategy for integrated use of public data | • Action Plan for improved management and governance of SOEs | • Ease entry/work conditions for foreign experts |
| • Action plan to enhance single window initiatives | | |
TERMS OF REFERENCE

A) PROJECT BOARD
Composition and organization: The Project Board contains three roles, including (1) an executive: individual representing the project ownership to chair the group; (2) senior supplier: individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project; and (3) senior beneficiary: individual or group of individuals representing the interests of those who will ultimately benefit from the project.

I. Specific responsibilities
1. Initiating a project:
   - Agree on PM’s responsibilities, as well as the responsibilities of the other members of the Project Management team;
   - Delegate any Project Assurance function as appropriate;
   - Review and appraise detailed Project Plan and AWP, including Atlas reports covering activity definition, quality criteria, issue log, updated risk log and the monitoring and communication plan.
2. Running a project:
   - Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
   - Address project issues as raised by the Project Manager;
   - Provide guidance and agree on possible countermeasures/management actions to address specific risks;
   - Agree on Project Manager’s tolerances in the Annual Work Plan and quarterly plans when required;
   - Conduct regular meetings to review the Project Quarterly Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
   - Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner;
   - Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.
   - Review and approve end project report, make recommendations for follow-on actions;
   - Provide ad-hoc direction and advice for exception situations when project manager’s tolerances are exceeded;
   - Assess and decide on project changes through revisions;
3. Closing a project:
   - Assure that all Project deliverables have been produced satisfactorily;
   - Review and approve the Final Project Review Report, including Lessons-learned;
   - Make recommendations for follow-on actions to be submitted to the Outcome Board;
   - Commission project evaluation (only when required by partnership agreement)
   - Notify operational completion of the project to the Outcome Board.

II. Executive – National Project Coordinator
The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive’s role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The Executive has to ensure that the project gives value for money, ensuring a cost-conscious approach to the project, balancing the demands of beneficiary and supplier. Specific Responsibilities (as part of the above responsibilities for the Project Board)
   - Ensure that there is a coherent project organization structure and logical set of plans
   - Set tolerances in the AWP and other plans as required for the Project Manager
   - Monitor and control the progress of the project at a strategic level
   - Ensure that risks are being tracked and mitigated as effectively as possible
   - Brief Outcome Board and relevant stakeholders about project progress
   - Organize and chair Project Board meetings
The following documents shall be signed by the NPC:

1. **Administrative and financial documents:**
   - □ Project revisions (if the project total budget or duration of the project is being changed)
   - □ Combined Delivery Reports
   - □ Transfer of Assets Form

2. **Monitoring and evaluation of the project**
   - □ Minutes of the Project Board meetings
   - □ Final review report

III. **Senior Beneficiary**

The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. This role represents the interests of all those who will benefit from the project, or those for whom the deliverables resulting from activities will achieve specific output targets. The Senior Beneficiary role monitors progress against targets and quality criteria. Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Ensure the expected output(s) and related activities of the project are well defined
- Make sure that progress towards the outputs required by the beneficiaries remains consistent from the beneficiary perspective
- Promote and maintain focus on the expected project output(s)
- Prioritise and contribute beneficiaries’ opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Resolve priority conflicts

The assurance responsibilities of the Senior Beneficiary are to check that:

- Specification of the Beneficiary’s needs is accurate, complete and unambiguous
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary’s needs and are progressing towards that target
- Impact of potential changes is evaluated from the beneficiary point of view
- Risks to the beneficiaries are frequently monitored

IV. **Senior Supplier**

The Senior Supplier represents the interests of the parties which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier’s primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Make sure that progress towards the outputs remains consistent from the supplier perspective
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management
- Ensure that the supplier resources required for the project are made available
- Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts

The supplier assurance role responsibilities are to:

- Advise on the selection of strategy, design and methods to carry out project activities
- Ensure that any standards defined for the project are met and used to good effect
- Monitor potential changes and their impact on the quality of deliverables from a supplier perspective
- Monitor any risks in the implementation aspects of the project
B) PROJECT ASSURANCE

Overall responsibility: Project Assurance is the responsibility of each Project Board member; however the role can be delegated. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed.

Project Assurance has to be independent of the Project Manager; therefore the Project Board cannot delegate any of its assurance responsibilities to the Project Manager. A UNDP Programme Officer typically holds the Project Assurance role.

The implementation of the assurance responsibilities needs to answer the question “What is to be assured?”. The following list includes the key suggested aspects that need to be checked by the Project Assurance throughout the project as part of ensuring that it remains relevant, follows the approved plans and continues to meet the planned targets with quality:

- Maintenance of thorough liaison throughout the project between the members of the Project Board.
- Beneficiary needs and expectations are being met or managed
- Risks are being controlled
- Adherence to the Project Justification (Business Case)
- Projects fit with the overall Country Programme
- The right people are being involved
- An acceptable solution is being developed
- The project remains viable
- The scope of the project is not “creeping upwards” unnoticed
- Internal and external communications are working
- Applicable UNDP rules and regulations are being observed
- Any legislative constraints are being observed
- Adherence to RMG monitoring and reporting requirements and standards
- Quality management procedures are properly followed
- Project Board’s decisions are followed and revisions are managed in line with the required procedures

Specific responsibilities would include:

1. Initiating a project
   - Ensure that project outputs definitions and activity definition including description and quality criteria have been properly recorded in the Atlas Project Management module to facilitate monitoring and reporting;
   - Ensure that people concerned are fully informed about the project
   - Ensure that all preparatory activities, including training for project staff, logistic supports are timely carried out

2. Running a project
   - Ensure that funds are made available to the project;
   - Ensure that risks and issues are properly managed, and that the logs in Atlas are regularly updated;
   - Ensure that critical project information is monitored and updated in Atlas, using the Activity Quality log in particular;
   - Ensure that Project Quarterly Progress Reports are prepared and submitted on time, and according to standards in terms of format and content quality;
   - Ensure that CDRs and FACE are prepared and submitted to the Project Board and Outcome Board;
   - Perform oversight activities, such as periodic monitoring visits and “spot checks”.
   - Ensure that the Project Data Quality Dashboard remains “green”

3. Closing a project
   - Ensure that the project is operationally closed in Atlas;
   - Ensure that all financial transactions are in Atlas based on final accounting of expenditures;
   - Ensure that project accounts are closed and status set in Atlas accordingly.

PROJECT SUPPORT
The Project Support role provides project administration, management and technical support to the Project Manager as required by the needs of the individual project or Project Manager. The provision of any Project Support on a formal basis is optional. It is necessary to keep Project Support and Project Assurance roles separate in order to maintain the independence of Project Assurance.

**Specific responsibilities:** Some specific tasks of the Project Support would include:

*Provision of administrative services:*
- Set up and maintain project files
- Collect project related information data
- Update plans
- Administer the quality review process
- Administer Project Board meetings

*Project documentation management:*
- Administer project revision control
- Establish document control procedures
- Compile, copy and distribute all project reports

*Financial Management, Monitoring and reporting*
- Assist in the financial management tasks under the responsibility of the Project Manager
- Provide support in the use of Atlas for monitoring and reporting

*Provision of technical support services*
- Provide technical advices
- Review technical reports
- Monitor technical activities carried out by responsible parties
C) PROJECT MANAGER

I. JOB INFORMATION

Job title: Project Manager
SC range: SC-9
Duration of the service: 6 months (with possible extension)
Work status (full time / part time): Full time
Reports To: Head of Sustainable Development Cluster

II. FUNCTIONS/KEY OUTPUTS EXPECTED

Project Manager will work under the direct supervision of the UNDP Head of Sustainable Cluster and the overall guidance of the National Project Coordinator. The Project Manager will ensure smooth and timely delivery of operations in accordance with annual and quarterly work plans of the Project through performing the following duties and responsibilities:

1. Overall project management:
   - Manage the realization of project outputs through activities;
   - Provide direction and guidance to project team(s)/ responsible party (ies);
   - Liaise with the Project Board/ its appointed Project Assurance role (UNDP Sustainable Development Cluster) to assure the overall direction and integrity of the project;
   - Identify and obtain any support and advice required for the management, planning and control of the project;
   - Responsible for project administration;
   - Liaise with any suppliers;
   - May also perform Team Manager and Project Support roles.

2. Running the project
   - Plan the activities of the project and monitor progress against the initial quality criteria.
   - Manage the project in accordance with the project document, UNDP rules and procedures;
   - Coordinate and manage Project’s day-to-day activities and its overall implementation process, including planning and monitoring towards optimal use of resources, in an effort to ensure successful achievement of the projects’ objectives;
   - Supervise the accomplishment of the Project work-plans, analyze emerging problems and take adequate measures to ensure timely fulfillment of envisioned tasks;
   - Oversee selection, recruitment and supervision of the Project task teams and their activities, including full-time and part-time national and international consultants;
   - Mobilize goods and services to initiative activities, including drafting TORs and work specifications;
   - Determine and implement partnership and fund raising strategy to further strengthen Projects’ activities;
   - Monitor events as determined in the Monitoring & Communication Plan, and update the plan as required;
   - Manage requests for the provision of financial resources by UNDP, using advance of funds, direct payments, or reimbursement using the FACE (Fund Authorization and Certificate of Expenditures);
   - Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
   - Manage and monitor the project risks as initially identified in the Project Document appraised by the LPAC, submit new risks to the Project Board for consideration and decision on possible actions if required; update the status of these risks by maintaining the Project Risks Log;
   - Be responsible for managing issues and requests for change by maintaining an Issues Log.
   - Prepare the Project Quarterly Progress Report (progress against planned activities, update on Risks and Issues, expenditures) and submit the report to the Project Board and Project Assurance (UNDP Sustainable Development Cluster);
Prepare the Annual review Report, and submit the report to the Project Board and Project Assurance (UNDP Sustainable Development Cluster);

Based on the review, prepare the AWP for the following year, as well as Quarterly Plans if required.

3. Closing the Project

- Prepare Final Project Review Reports to be submitted to the Project Board;
- Identify follow-on actions and submit them for consideration to the Project Board;
- Manage the transfer of project deliverables, documents, files, equipment and materials to national beneficiaries;
- Prepare final CDR/FACE for signature by UNDP and the Implementing Partner

III. COMPETENCIES AND CRITICAL SUCCESS FACTORS

I. Corporate Competencies:

- Demonstrates commitment to UNDP’s mission, vision and values;
- Displays cultural, gender, religion, race, nationality and age sensitivity and adaptability;
- Demonstrating/safeguarding ethics and integrity;
- Demonstrate corporate knowledge and sound judgment;
- Self-development, initiative-taking;
- Acting as a team leader and facilitating team work;
- Facilitating and encouraging open communication in the team, communicating effectively;
- Creating synergies through self-control;
- Managing conflict;
- Learning and sharing knowledge and encourage the learning of others;
- Informed and transparent decision making

II. Functional Competencies:

1. Communications and Networking

- Has excellent oral communication skills and conflict resolution competency to manage inter-group dynamics and mediate conflicting interests of varied actors;
- Has excellent written communication skills, with analytic capacity and ability to synthesize project outputs and relevant findings for the preparation of quality project reports;
- Maturity and confidence in dealing with senior and high ranking members of national and international institutions, government and non-government.

2. Knowledge Management and Learning

- Promotes a knowledge sharing and learning culture in the team through leadership and personal example;
- Actively mentoring project staff under her/his supervision;
- Leadership and Self-Management;
- Focus on results for the client and responds positively to feedback;
- Consistently approaches work with energy and a positive, constructive attitude;
- Remains calm, in control and good humored even under pressure;
- Competent in leading team and creating team spirit, stimulating team members to produce quality outputs in a timely and transparent fashion.

3. Development and Operational Effectiveness

- Ability to organize and complete multiple tasks by establishing priorities;
- Ability to handle a large volume of work possibly under time constraints.

4. Job Knowledge/Technical Expertise

- Understands the main processes and methods of work regarding to the position
- Strives to keep job knowledge up-to-date through self-directed study and other means of learning;
• Demonstrates good knowledge of information technology and applies it in work assignments.

5. Leadership and Self-Management
• Builds strong relationships with clients, focuses on impact and result for the client and responds positively to feedback;
• Consistently approaches work with energy and a positive, constructive attitude;
• Demonstrates good oral and written communication skills.

IV. QUALIFICATION REQUIREMENTS

Education: Bachelors’ degree in economics, business management, management, public policy or other related fields;

Experience: At least 4 years of progressive work experience in the field of economics and/or project management in the sphere of economic development, private sector, trade and investment. Work experience in any development organization is an advantage

Language Requirements: Fluency in English, proficiency in Uzbek and Russian

Others: Ability to use information and communication technology as a tool and resource;
Experience in handling web-based management systems.
D) ADMINISTRATIVE / FINANCE ASSISTANT

I. JOB INFORMATION

Job title: Administrative/Finance Assistant
SC range: SC-6
Work status (full time / part time): Full time
Reports To: Project Manager

II. FUNCTIONS/KEY OUTPUTS EXPECTED

Under the guidance and direct supervision of Project Manager, the Administrative Finance Assistant provides financial services ensuring high quality, accuracy and consistency of work. The Administrative Finance Assistant works in close collaboration with the Government Counterparts, project, operations, and UNDP Programme’s personnel in the Country Office to exchange information and ensure consistent service delivery.

- Be responsible for office logistics, travel arrangements as well as recruitment/extension/separation of the project personnel;
- Encourage awareness of and promotion of gender equality among project staff and partners;
- Based on consultations with Project Manager and UNDP Business Center to perform procurement related operations in accordance with UNDP rules and procedures;
- Prepare all financial and administrative documents related to the project implementation in accordance with the UNDP rules and procedures, maintain project’s expenditures and commitments shadow budget;
- Develop quarterly and annual budget plans for recruitment of personnel; maintain financial records and monitoring systems to record and reconcile expenditures, balances, payments and other data for day-to-day transaction and reports;
- Advise and assist Project staff, experts and consultants on all respects of allowances, salary advances, travel claims and other financial and administrative matters, and calculate and authorize payments due for claims and services;
- Prepare detailed cost estimates and participates in budget analysis and projections as required to handle all financial operations of the project office, make cash payments and reconcile all accounts in required time frame;
- Maintain, update and transmit inventory records of non-expendable equipment in accordance with UNDP rules;
- Perform cash custodian’s duties being primarily responsible for project’s cash disbursements and maintain project’s petty cash book and payrolls related to the regional offices;
- Ensure leave monitoring of project staff, check the accuracy and proper completion of monthly leave reports;
- Analyze the potential problems concerning administrative-financial issues and take respective measures to provide adequate project’s resources in time for implementation of the project activities;
- Define the cost-effective measures for optimal use of resources of the project;
- Ensure full compliance of administrative and financial processes and financial records with UNDP rules, regulations, policies and strategies.

III. QUALIFICATION REQUIREMENTS

Education: University degree in Business Administration, Finance and/or Economics;
Experience: At least 2-3 years of relevant work experience;
Language Requirements: Fluency in English and Russian (both written and spoken), knowledge of Uzbek is an asset.
Others: Ability to use information and communication technology as a tool and resource; Understanding of development issues, human rights (including women’s rights), basic gender concepts and gender issues in the country; Knowledge of and experience in gender mainstreaming is an asset; Experience in handling web-based management systems.