



**EN**

**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX I**

to the Commission Implementing Decision on the financing of the annual action plan in favour of  
Uzbekistan for 2022

**Action Document for Improving Governance in Uzbekistan**

**ANNUAL PLAN**

This document constitutes the annual work programme within the meaning of Article 110(2) of the  
Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

# 1 SYNOPSIS

## 1.1 Action Summary Table

<b>1. Title</b> <b>OPSYS business reference</b> <b>Basic Act</b>	Improving Governance in Uzbekistan OPSYS number: ACT-61293 Financed under the Neighbourhood, Development and International Cooperation Instrument ( <u>NDICI-Global Europe</u> )/ Overseas Association Decision/European Instrument for International Nuclear Safety Cooperation Regulation
<b>2. Team Europe Initiative</b>	No
<b>3. Zone benefiting from the action</b>	The action shall be carried out in the Republic of Uzbekistan
<b>4. Programming document</b>	Multiannual Indicative Programme (MIP) 2021-2027 for Uzbekistan
<b>5. Link with relevant MIP(s) objectives / expected results</b>	<p>Priority area 1: Effective Governance and Digital Transformation</p> <p>Specific objective: Uzbekistan's transition to a pluralist democratic system is strengthened through support to the rule of law, universal values of human rights, a flourishing civil society and elimination of all forms of discrimination, especially gender related. An improved and modernised public sector, with effective and accountable management and reduced levels of corruption capable to deliver quality public services through reform and digitalisation initiatives is established.</p> <p>Expected results:</p> <ul style="list-style-type: none"> <li>- Increased and more effective democratic governance with greater participation of citizens, business entities and civil society institutions in the process of decision-making at all levels;</li> <li>- Enabled reform of Government to increase empowerment and social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status;</li> <li>- Increased public access to information, including through e-governance, and protection of fundamental freedoms in accordance with national legislation and international agreements;</li> </ul>

	<ul style="list-style-type: none"><li>- The rule of law is improved and equal access to justice for all is ensured, including through increased capacity of national institutions and Civil Society Organisations (CSOs);</li><li>- Increased equality of opportunity and reduced inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and citizens access to information, legal advice, and legal aid;</li><li>- Effective, accountable and transparent institutions at all levels with increased Government capacity to deliver public services and to engage with civil society to ensure accountable and responsive public services;</li><li>- Increased Government statistical capacity and availability of high-quality, timely and reliable data allowing for disaggregation according to best practice and standards;</li><li>- Substantially reduced corruption and extremism in all their forms through support to national institutions, CSO and media counterparts;</li><li>- Government, civil society, media and public oversight institutions have increased awareness, knowledge and capacity contributing to the elimination of all forms of discrimination against women and girls, to ensure women’s full and effective participation in political, economic and public life;</li><li>- Government has policy and implementation capacity to lead, manage and coordinate the “Digital Uzbekistan 2030” strategy that leads to increased online service and access.</li></ul>			
PRIORITY AREAS AND SECTOR INFORMATION				
6. Priority Area(s), sectors	151 – Government and Civil Society-general			
7. Sustainable Development Goals (SDGs)	Main SDG: 16 Other significant SDGs: 5, 9, 10, 17			
8 a) DAC code(s)	15110 – Public sector policy and administrative management (20%) 15112 – Decentralisation and support to subnational government (10%) 15113 – Anti-corruption organisations and institutions (30%) 15130 – Legal and judicial development (10%) 15150 – Democratic participation and civil society (10%) 15153 – Media and free flow of information (10%) 15160 – Human rights (5%) 15170 – Women's rights organisations and movements, and government institutions (5%)			
8 b) Main Delivery Channel	UNDP – 41114 Civil society organisations – 21000 Central Government – 11001			
9. Targets	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers	General policy objective	Not targeted	Significant objective	Principal objective

<b>(from DAC form)</b>	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>11. Internal markers and Tags</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>
Digitalisation		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services		<b>YES</b> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<b>NO</b> <input checked="" type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
Connectivity		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
digital connectivity energy transport health education and research		<b>YES</b> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<b>NO</b> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	
Migration (methodology for tagging under development)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reduction of Inequalities (methodology for marker and tagging under development)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Covid-19		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				

<b>12. Amounts concerned</b>	Budget line: BGUE-B2022-14.020130-C1-INTPA  Total estimated cost: EUR 8,000,000.00  Total amount of EU budget contribution: EUR 8,000,000.00
<b>MANAGEMENT AND IMPLEMENTATION</b>	
<b>13. Type of financing</b>	<ul style="list-style-type: none"> <li>- <b>Indirect management</b> with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.1 and 4.3.2;</li> <li>- <b>Direct management</b> through Twinning grants.</li> </ul>

## 1.2 Summary of the Action

The proposed action addresses Priority Area 1 of the MIP on Effective Governance and Digital Transformation to support Uzbekistan's transition to a pluralistic democratic system based on the rule of law and universal values of human rights as well as to support the modernisation of the public sector with effective and accountable management, strengthened capacity and reduced levels of corruption that delivers quality public services. The proposed action reinforces Government's engagement to upgrade and implement its National Anti-Corruption Strategy, which aims at reducing corruption in Uzbekistan at national and local levels through ensuring the sustainable development of anti-corruption institutions and empowerment of civil society, media, citizens and businesses. This would be done through provision of legislative and advisory support, capacity-building measures, support of national initiatives to advance awareness of legal rights, expansion of legal education and literacy and facilitation of policy dialogue. The task will also be implemented through participation in a broader programme of administrative reforms, modernisation and optimisation of the public administration system in accordance with international standards in full compliance and implementation of the UN Convention against Corruption (UNCAC) and Istanbul Plan of Action of the OECD as overarching policy directions. The focus will be maintained on strengthening policy as well as the legislative and regulatory framework, expanding anticorruption dynamics and integrity culture to sub-national and local levels with making local governments transparent and accountable, enhancing capacities of civil society organisations and investigative journalists, and promoting their essential role in anti-corruption efforts. Gender equality, human rights, youth, the rights of persons with disabilities and civil society partnerships will be mainstreamed across the action. The action will also build on the milestones achieved through the EU engagement and collaboration with UNDP in the public administration sector on improving delivery of quality public services to the population.

The objectives of the proposed action reflect the commitment of the Government of Uzbekistan towards 2030 Strategy for Sustainable Development and related achievement of SDGs. The action is aligned with EU policies and responds to the demand of counterparts in Uzbekistan for sharing the EU know-how, in particular as it relates to the development of a comprehensive, effective and inclusive anti-corruption ecosystem and support to women, youth and other vulnerable people to enjoy equal access to justice, basic public services and development opportunities. An additional component of the action will specifically target the strengthening of the organisational, administrative, technical and legal capacities of the Ministry of Justice of Uzbekistan in its role of coordinator of law-making activities and guarantor of a unified state legal policy. The specific objective is to support the work of the government in accelerating legislative reforms, improving quality of regulations and reducing the regulatory burden to systematise the existing norms and regulations, simplify their application, professionalise the law-making process, increase public awareness of the legislative framework, and ensure overall availability of main legal documents in three languages (Uzbek, Russian and English).

This proposed action is closely reflecting the targets included in SDG 16 of the Global Agenda 2030 on Peace, justice and strong institutions, in particular promoting the rule of law at the national and international levels, ensuring equal access to justice for all, and substantially reducing corruption and bribery in all their forms. There are also synergies with SDG 5 Gender equality, SDG 9 Industry, Innovation and Infrastructure, SDG 10 Reduced inequalities and SDG 17 Partnership for the goals.

## 2 RATIONALE

### 2.1 Context

In December 2016, Mr Shavkat Mirziyoyev won the presidential elections with 88 percent of the vote. Immediately thereafter, Uzbekistan announced a widespread and structural transformation that would touch many aspects of society. Under the leadership of President Mirziyoyev, who was re-elected in October 2021 for the second term, these changes have been felt across the economic, social, and political domains, representing a sea-change away from the 27 years of previous tightly centralised governance. Political and legislative changes and policy interventions in governance have been taking place at a fast pace, evidencing the Government's commitments to dismantle previous political and socio-economical structures. This resulted in civil society, including independent media, enjoying greater freedom to discuss and influence the decisions of central and local governments with citizens' reduced fear of reprisal for criticising government actions. Several reforms have been initiated in the areas of separation of powers, including strengthening parliamentary oversight over executive, judicial reform, accountability of authorities to the people, and a high-level commitment to improve human rights, which contributed to a sharp increase in lawmaking activity.

Parliamentary elections in December 2019 were a further step towards increasing democratic freedoms. Legal improvements brought Uzbekistan's 2019 elections 'closer to international standards' and incremental steps have been taken to enhance freedom of speech, promote human rights, and build citizen engagement and participation in national and regional legislative oversight processes. A woman chairs the Senate, while women's representation in Parliament achieved 44%. The positive changes had begun spurring even greater demand from civil society and the private sector for further reforms. Accountable, transparent, modern, and inclusive governance and rule of law institutions are preconditions for achieving Uzbekistan's development vision. Still, more investment is needed to increase their efficiency, scope and quality, including non-interoperability of platforms, poor data connectivity and low digital literacy, while addressing challenges exposed by COVID-19.

Uzbekistan's economy presents a dichotomous picture. On the one hand, a dominant, state-controlled, highly regulated, capital-intensive formal industrial and agriculture sector is present, based on extractive industries, as well as state oversight of cotton and wheat. On the other hand, there coexists a large informal sector of small, low-paid, family-based enterprises absorbing surplus labour. Nevertheless, the government ventured to radical transformations in the financial and economic sphere as well. Prior to the pandemic, the Uzbek economy was growing at an annual rate of 5.45 per cent, according to World Bank data. The Economist rated Uzbekistan as the country that improved most in 2019. Shortly thereafter, the World Bank's Doing Business 2020 report placed Uzbekistan among the world's top 20 improved business climates.

Despite the significant economic downturn due to the COVID-19 pandemic in 2020, the country has recovered well. Strong industrial and services growth helped offset weaker increase in agricultural production. Increase in domestic income and investment, as well as anti-crisis spending and tax relief measures, also contributed to strong growth in 2021. According to the Central Bank of Uzbekistan, in January-September 2021, real GDP growth in Uzbekistan reached 6.9 per cent compared to growth of 1.7 per cent in 2020. The unemployment rate fell from 13.2 per cent in the first half of 2020 to 9.4 per cent in the third quarter of 2021. Public debt reached 38.5 per cent of GDP in the first half of the 2021, compared to 38.9 per cent at end-2020. The fiscal deficit increased to 5.4 per cent of GDP in the first half of 2021.

However, regional inequalities are increasing.. Uzbekistan today faces a unique opportunity to build on growing development momentum, having embarked on ambitious reforms since early 2017. The Government's vision to transform Uzbekistan into an industrialised, upper-middle-income country by 2030 enjoys popular support. Looking ahead, the Government is committed to continuing reforms. Uzbekistan can reap a demographic dividend from its large young population (57 percent of whom are below 30 years of age) but has to offer them productive employment opportunities, encourage their economic initiative and innovation, and strengthen their future work capabilities and digital skills.

This action is in line with the principles identified in the new European Consensus on Development<sup>1</sup>, the EU Strategy for Central Asia<sup>2</sup>, the EU Green Deal<sup>3</sup> and with the priorities set in the EU-Uzbekistan Partnership and Cooperation Agreement<sup>4</sup> (PCA) as well as in the EU-Uzbekistan Enhanced PCA under negotiation. The action also closely reflects the targets included in SDG 16 of the Global Agenda 2030 on Peace, justice and strong institutions, promoting peaceful and inclusive societies for sustainable development, providing access to justice for all and building effective, accountable and inclusive institutions at all levels. Domestically, the action fits into the goals set out by President Mirziyoyev in the Development Strategy for a New Uzbekistan for the period 2022-2026.

## 2.2 Problem Analysis

Uzbekistan re-enforced its anticorruption reforms after 2016, and since then, the government has been regularly declaring combatting corruption as its top priority. A number of results were attained since 2016 in the area of anticorruption, including initial steps to build legislative and institutional frameworks to prevent and combat corruption. Also an Anti-Corruption Agency has been established. However, the prevalence of corruption in services provided by state remains high, being a major challenge within a broader governance, fuelling inequalities and undermining access to quality public services. Weak institutionalisation of the fight against corruption is part of a wider problem of a poor administrative system of public governance, a notable gap between the intensity of anti-corruption reforms at the national and regional/local levels as well as underdevelopment of the demand side for anti-corruption policies, which are the three main groups of drivers that significantly undermine the effectiveness of the efforts being made. The situation is aggravated by the fact that corruption deprives the country of a significant part of the financial resources in the implementation of measures aimed at overcoming poverty, climate change, and climate adaptation. Gender aspects of corruption are also a serious problem for the country.

While the Government seeks to prevent and fight corruption, Uzbekistan still ranks poorly in the latest Corruption Perception and Rule of Law indexes. In 2022, Transparency International (TI)'s Corruption Perception Index (CPI) for 2021 ranked Uzbekistan 140th out of 180 countries, scoring 28 out of 100 based on perceived levels of public sector corruption, according to experts and businesspeople (in 2020 – 146th with a score of 26). Given that Uzbekistan scored 17 points in 2012, over the past 10 years the scores have increased by only 11, indicating a relative stagnation of progress, and no drastic improvement observed in last years.

With the election of Mr Mirziyoyev as President in 2016, the country began to actively carry out reforms in various areas. However, the legal and administrative systems of Uzbekistan were not ready for a large-scale reset and move towards the liberalisation of market relations, countering corruption and improving relations with neighboring countries. As a result, in the shortest possible time, administrative and legal reforms were carried out in accordance with the Concept of Administrative Reform in the Republic of Uzbekistan, as well as the Concept for improving the rule-making activity. In the process of introducing amendments and additions to existing acts, as well as the adoption of new acts in order to provide legal support for reforms, deep systemic problems in the legal sphere emerged. In particular, many of the previously adopted acts did not meet the modern conditions of socio-political, socio-economic and cultural developments in the country. The current method of making changes and additions to legislation does not result in a long-term, sustainable solution. Thus, a strategic approach to updating legislation should be developed.

As part of the administrative reform, the nearly 50 percent increase in the number of state bodies made it much more difficult for the Ministry of Justice (MoJ) to coordinate its law-making activities. For example, if in 2015 1,472 draft normative legal acts were submitted to the MoJ for legal examination, by 2021 this number grew to

<sup>1</sup> European Commission (2017): European Consensus on Development, available at: [https://international-partnerships.ec.europa.eu/policies/european-development-policy/european-consensus-development\\_en](https://international-partnerships.ec.europa.eu/policies/european-development-policy/european-consensus-development_en)

<sup>2</sup> European External Action Service (2019): EU Central Asia Strategy, available at: [https://www.eeas.europa.eu/eeas/central-asia\\_en](https://www.eeas.europa.eu/eeas/central-asia_en)

<sup>3</sup> European Commission (2019): A European Green Deal, available at [https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en)

<sup>4</sup> OJ L 229/3, 31.8.1999

2,554. However, the number of MoJ employees responsible for carrying out legal expertise remained unchanged. Moreover, Uzbekistan is currently suffering from a lack of an integrated approach to lawmaking with the use of modern tools for the participation of various stakeholders, civil society institutions, scientific and business circles as well as the underdevelopment and poor use of methods for predicting future changes and assessing the impact of new legislation. Frequent changes in rules negatively affect the investment climate and the business environment, as investors and entrepreneurs find it hard to plan their activities taking into account changes in legislation, which can lead to additional costs. At the same time, international players are reluctant to invest in a country where legislation changes are frequent and the legislative landscape is perceived as chaotic or unstable. Among citizens, this decreases the level of awareness of legal norms and, as a result, increases ignorance of their rights and freedoms, which leads to cases of corruption and other offenses.

Considering the importance of a multi-dimensional and cross-sectoral approach, and the overall goal to provide long-term advisory support to the public administration and anti-corruption reform, the action will engage a wide range of stakeholders. These include national government institutions, civil society and non-governmental organisations, media and journalists, research, academia and education institutions, local civic initiatives and associations covering women, youth and most vulnerable to corruption groups (persons with disabilities, elderly and others), local communities and self-governance bodies, business and private sectors. All stakeholders will be engaged in the design and implementation of specific activities and thus contributing to the sustainability of the proposed interventions. The action will involve all authorised state bodies responsible for developing and coordinating anticorruption state policy, namely the Anti-Corruption Agency, the General Prosecutor's Office (and its Academy), the MoJ, the Ministry of Internal Affairs and the Service for National Security. However, due to the scale of the action and its multi-sector activities covering public authorities at national and local levels, political will, commitment and ownership is required at the highest level. Therefore, the implementation of the action will be carried out under the auspices of the Administration of the President, with the function of direct implementation given to the Anti-Corruption Agency, the General Prosecutor's Office and the MoJ.

The action will also aim at specifically strengthening the organisational, administrative, technical and legal capacities of the MoJ in its role of coordinator of law-making activities and guarantor of a unified state legal policy to ensure stability and predictability of the national legal framework. Therefore, the MoJ will be targeted as a whole, including its Central Office in Tashkent as well as its 14 territorial divisions. In addition, the MoJ system includes a number of research and educational institutions, in particular the Tashkent State University of Law. This approach will help to ensure the uniform application of new procedures and processes resulting from the implementation of the action across the country. In February 2021, a new structure called Interdepartmental Commission for normative-legal systematisation in the field of technical regulation was set up. The main task of this body is to tackle the growing number of legal acts and the complexity of the legislative base and systematise technical regulation in order to improve doing business in Uzbekistan, as well as to create favorable conditions for the development of the economic, trade and investment environment. This new structure is likely to be the leading beneficiary.

### 3 DESCRIPTION OF THE ACTION

#### 3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to promote strategic, long-term and multi-dimensional administrative and anti-corruption reforms in the Republic of Uzbekistan and support the creation of an enabling regulatory environment for trade and economic development in the country.

The Specific(s) Objective(s) (Outcomes) of this action are to:

1. Improve national policy as well as legal and institutional frameworks with robust preventive, enforcement and punitive measures, in line with best international practices.
2. Strengthen integrity capacities of the national, regional, district and local government authorities with more dynamic anti-corruption transformations.

3. Enhance effectiveness of the implementation of the National Anticorruption Strategy by fostering civic monitoring and promote zero-tolerance towards corruption by raising public awareness.
4. Strengthen organisational, administrative, technical and legal capacity of the MoJ to ensure high quality, predictable and accountable regulatory framework.
5. Establish a high-quality and compact system of normative and technical regulations.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are

- 1.1 Improved legal framework and more effective institutional reforms creating a solid anti-corruption and integrity ecosystem in Uzbekistan.
- 1.2 Enhanced investigation and prosecution capacities and anti-money laundering mechanisms of the law enforcement and criminal justice institutions.
- 2.1 Reinforced anticorruption tools and systems at national, regional, district and local levels.
- 3.1 Enhanced Demand Side and Social Accountability against corruption.
- 4.1 Strengthened human resources management and enriched training curricula for civil servants of the MoJ and other institutions.
- 4.2 Heightened capacities of civil servants from the MoJ and other institutions on conducting public consultations and awareness campaigns on draft legislation.
- 5.1 Heightened capacities of civil servants from the MoJ and other institutions on the systematisation of legislation, normative documents and technical regulations.
- 5.2 Upgraded and streamlined classification and systematisation of existing and planned legislation, normative documents and technical regulations.

### 3.2 Indicative Activities

Activities relating to Output 1.1:

1. Conduct needs assessment and thorough review of the legal and policy documents essential for the administrative reforms and formation of a healthy anti-corruption ecosystem, in line with international standards (UNCAC, Jakarta Statement and Colombo Comments on Anti-corruption Agencies, Kuala Lumpur Statement on Anti-corruption Strategies);
2. Based on the results of the needs assessment and review of the legislation, prepare draft laws and other normative documents to facilitate the full alignment of the anticorruption ecosystem with international standards;
3. Revise national strategic policy documents on anticorruption in line with international standards to ensure that the ongoing national anti-corruption policy is strategic in nature, reflects long-term, multidimensional vision against corruption with a view of coordinating national action;
4. Establishment of inter-ministerial community of practice for mainstreaming of the anti-corruption strategy/policy within the sectoral ministries and authorities.

Activities relating to Output 1.2:

1. Improve criminalisation through legal advice to key national partners;
2. Enhance investigation and prosecution capacity, including by promoting specialisation, introducing digital and innovative investigation techniques and promoting effective international cooperation;
3. Strengthen anti-money laundering and financial intelligence frameworks;
4. Training and development of methodologies for strengthening of institutional policies, e.g. prevention of conflict of interest and controls, as well as enhancing enhancing transparency in national policy development and decision-making processes.

Activities relating to Output 2.1:

1. Conduct a comprehensive local integrity systems assessment, using TI's methodology to examine the local government bodies operations in terms of anticorruption systems and systems for preventing conflicts of interest, identify the main strengths and weaknesses and develop recommendations;



2. Develop internal control systems, sound financial management and accounting systems, budgeting and cashflows to ensure continuous and transparent audit trail and accountability as well as sound public procurement procedures to prevent the misuse of public funds;
3. Pilot up-to-date concepts (e.g. “Island of Integrity”, “Transparent Cities”, and “Integrity Municipalities”, implemented in other European countries to introduce full-fledged anticorruption systems or using UNDP Guide to Corruption-free Local Government) at the regional and local levels.

#### Activities relating to Output 3.1:

1. Promotion of active participation of individuals and groups outside the public sector (civil society, non-governmental organisations (NGOs), media, whistle-blowers) with a focus on civic engagement of women, people with disabilities and other vulnerable segments of society in monitoring and preventing corruption. This would be done through intensified anti-corruption awareness raising campaigns, small grants programmes, development of civil society alarm mechanisms (including through the use of e-governance) to ensure access to draft legislation and policy planning documents, and educational activities aimed at forming integrity culture;
2. Establishment of open data portals regarding public spending and procurement;
3. Support the work of investigative journalists, promoting media literacy, encouraging publications on corruption cases and providing capacity development support;
4. Analyse and suggest revisions to the legal framework on increasing security of journalists, freedom of the media, access to information, liberalisation of the legislation on NGOs to support public oversight of anticorruption;
5. Establishment of secure and decentralised whistleblower platforms to foster integrity in the public sector as well as incorporating whistle-blower protection measures in the internal control systems of public and municipal bodies.

#### Activities relating to Output 4.1:

1. Develop training programmes for employees of the MoJ and other civil servants on systematisation of legislation and technical regulations, regulatory impact assessment and public consultations;
2. Enhancing capacities of the training institute/further education department of the MoJ for the development of modern, needs-oriented training curricula for training of MoJ staff and staff of related institutions;
3. Improving the human resource management of the public administration through transparent promotion mechanisms, open competitions, clear regulations, standardised remuneration system and accountability mechanisms.

#### Activities relating to Output 4.2:

1. Provide capacity building on conduct of public consultations of draft legislation;
2. Awareness raising campaign among key stakeholders on the possibility to engage in consultation of draft legislation.

#### Activities relating to Output 5.1:

1. Carry out training of employees of 90 state bodies on the subject of systematisation of regulations governing the activities of state bodies;
2. Carry out training of employees of 55 state bodies on the subject of systematisation of regulatory legal acts by branches of legislation;
3. Carry out training of 50 employees of the MoJ on the systematisation of normative documents in the field of technical regulation;
4. Carry out training for trainers of 50 employees of public administration colleges to mainstream anti-corruption and integrity into the curricula of public servants.

#### Activities relating to Output 5.2:

1. Provide technical assistance to beneficiaries on how to conduct regulatory impact assessment and revision of existing procedures in this field;
2. Conduct inventory of technical regulations;
3. Finalise systematisation of regulations governing the activities of over 100 state bodies;
4. Finalise systematisation of regulations in over 20 branches of legislation.

### 3.3 Mainstreaming

Anti-corruption is an enabler for achieving the Global Agenda 2030 and the SDGs. The proposed action will envisage a complementary, two way approach to project strategy development. It would integrate anti-corruption into all government development initiatives, including in the areas of human rights protection, gender equality, youth, climate change, conflict management and resilience, as well as in the reverse process, mainstreaming these important topics in all anti-corruption initiatives, strategies, policies, laws, institutions and processes implemented under the action. Mainstreaming will be ensured through an iterative process of integrating considerations of mentioned components into policy-making, budgeting, implementation and monitoring processes at national, sector and subnational levels as standard practice.

The action will ensure implementation of the integrity policies in the regions, including in agricultural sector and land management, which will be also contributing to climate change mitigation and environmental protection in the regions of Uzbekistan. Poor management of land, water, and forest resources are a direct cause of corruption at the local level. Huge financial resources, including international ones, which are spent on combating the consequences of the drying of the Aral Sea, need to be protected from theft. The introduction of anti-corruption tools in rural municipal governments will significantly reduce corruption associated with these resources and increase the effectiveness and scale of measures related to climate adaptation.

Work with civil society will specifically focus on women, youth and other disadvantaged groups, including persons with disabilities, to be empowered and more involved into decision-making, thus leading to higher social sustainability and contributing to conflict prevention. Setting the anticorruption ecosystem and reducing corruption prevalence in the regions will contribute to reducing social tensions at the local level.

The action priorities will closely reflect the targets included in Goal 16 of the SDGs, particularly target 16.3 “Promote the rule of law at the national and international levels and ensure equal access to justice for all”, target 16.5 “Substantially reduce corruption and bribery in all their forms” and 16.6 “Develop effective, accountable and transparent institutions at all levels”. They will also address targets 16.7. (responsive, inclusive, participatory and representative decision-making at all levels), 16.10. (public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements), 16.a. (strengthen relevant national institutions, including through international cooperation, for building capacities at all levels) and 16.b. (promote and enforce non-discriminatory laws and policies for sustainable development) in the project implementation strategy. Complementarily, partnering with the national authorities and civil society to promote transparent and accountable democratic governance with improved capacity for effective public service delivery will address SDGs 5, 9, 10, and 17.

#### **Environmental Protection & Climate Change**

**Outcomes of the EIA (Environmental Impact Assessment) screening** (relevant for projects and/or specific interventions within a project)

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

**Outcome of the CRA (Climate Risk Assessment) screening** (relevant for projects and/or specific interventions within a project)

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment).

#### **Gender equality and empowerment of women and girls**

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that gender equality, including the gender pay gap, and woman rights-based approaches shall be a cross-cutting theme of all support provided within the proposed action. Advancement of women in public administration and business sectors on the principles of “strong consideration if not outright preferential treatment” or “affirmative action” will

be in the focus of discussions initiated with national partners, with the possibility of further implementation, including through the inclusion in the relevant trainings of topics related to gender-legal expertise and gender sensitivity. Moreover, when related to legislative support, the action will introduce a comprehensive gender impact assessment of all proposed legislation.

---

### **Human Rights**

While Human Rights Based Approach will mainstream distinctive activities within the action, the universal values of human rights will be the cornerstone in the development and implementation of administrative reforms as part of the improvement of the anti-corruption ecosystem. Further reform of the mechanisms of administrative justice, including the system of pre-trial administrative appeal, will ensure the legal protection of citizens and business entities from administrative arbitrariness and, consequently, from corruption. Human rights and fundamental freedoms will also be advanced by strengthening the ability of the media and civil society to function without impediment. The proposed action will contribute to the promotion of human rights by also promoting a participatory approach in decision-making particularly for groups that are traditionally left behind in Uzbekistan, such as women and persons with disabilities. It would involve civil society representing different social groups, academics and entrepreneurs into public consultations of draft normative acts, thus fostering the right to freedom of expression. Moreover, the comprehensive revision of regulatory and technical regulation will structurally introduce modern methods of lawmaking such as gender-legal expertise, disability legal reform, anti-corruption expertise and regulatory impact assessment (on business, competition, environment, etc.).

---

### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. This implies that NGOs and CSOs protecting the rights and interests of people with disabilities and organisations of persons with disabilities will be one of the main stakeholders of the activities. They will be involved in designing the specific activities that will be informed by the vital interests of people with disabilities related to decision-making and participatory democracy. Implemented mechanisms and tools will always prioritise opportunities for convenience and applicability from the point of view of the limited capability of such people.

---

### **Democracy**

The implementation of the proposed action will eventually contribute to coherent and strategic support to democracy and human rights, CSOs, and peace, stability and conflict prevention, and will contribute to the strengthening of the democratic institutions of Uzbekistan. In particular, the systematisation and simplification of the existing legal framework will increase the transparency of government actions, contribute to the fight against corruption and bring the state closer to the people. Strengthening the public consultation mechanism will ensure the involvement of civil society, as well as ordinary citizens into the decision-making process, thus fostering participatory democracy.

---

### **Conflict sensitivity, peace and resilience**

The proposed action will integrate conflict sensitivity in all its work, to maximise the positive impact on peace, in fragile areas potentially prone to social tensions and conflicts. The issues of overcoming the exclusion, inequality, human rights violations, absence of the rule of law, environmental degradation and climate change, which are basic root causes at all levels of potential conflict and social tensions, will be indirectly addressed by the action outputs in a coherent and comprehensive way.

---

### **Disaster Risk Reduction**

Enhancing administrative and related anti-corruption reforms will lead to strengthening the people-centric capacity of state bodies, including the improvement of internal business processes aimed at the preservation of resources through the effective organisation of civil protection and emergency preparedness and response, crises and disasters.

---

### **Digital transformation**

When applicable and relevant, the proposed action will seek and promote the use of digital solutions in all its activities.

### 3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
1 – External environment	Risk 1: Changing anti-corruption and public administration reform policy priorities that could arise from the further impact of COVID-19, political instability inside and outside the country (Russia's military aggression against Ukraine), and other factors.	Low	High	The risk shall be mitigated through constant and timely monitoring of anticorruption policy reforms related to action interventions in order to make necessary adjustments or adopt decisions in consultation with the action stakeholders to make the reforms irreversible or to maximise the sustainability of the results achieved at that time.
1 – External environment	Risk 2: Lack of political will to implement the project despite government's commitment to implement the 2022-2026 National Development Strategy.	Low	High	The risk shall be mitigated through policy dialogues and contacts with the political leadership of Uzbekistan and its involvement in EU-sponsored democratisation processes requiring Uzbekistan to follow through with its national reform programmes and international commitments.
4 – Legality and regularity aspects	Risk 3: Possible revision of the institutional set up within the framework of the ongoing administrative reform. The abolition of some institutions, such as the Anti-Corruption Agency, or its merger with another, or redistribution of functions of public bodies, including at the local level, will significantly affect the course and nature of the action.	Low	High	The Action Team shall be involved in the development of administrative reforms in terms of anticorruption as well, monitor ongoing administrative reforms and adjust interventions with initial inclusion of multiple partners in action implementation.
3 – People and the organisation	Risk 4: Poor civic space and difficulties with finding relevant civil society organisations, activists, media, who would be interested to address anti-corruption, in particular among those who protect the interests of the most vulnerable people.	Medium	High	The Action Team will conduct outreach and networking activities, consultations with national stakeholders, development partners, private sector, civil society, youth organisations, organisations of persons with disabilities, women organisations and media to advocate for their engagement in these activities. New partnerships with civil society organisations that have demonstrated vision, capacity and leadership will be

				promoted, installing their interest in an anticorruption activity.
3 - People and the organisation	Risk 5: Lack of commitment from the management of the beneficiary institutions and relevant personnel to participate in the activities of the project despite extensive consultations with all stakeholders, ownership of the action and proven commitment and dedication in previous TAIEX and other projects.	<b>Medium</b>	<b>High</b>	The risk shall be mitigated through constant contact with the implementing structures within the beneficiary administration in order to assess the changes in the capacities of the beneficiary institution and if possible address them as part of the action.

### Lessons Learnt

Previous interventions experience shows that a participatory design process and associated common vision are crucial to ensure ownership and impact of administrative reform programmes. Hence, this proposed action shall be based on extensive, direct consultations with the national partners and international partners active in the region, fully aligned with their priorities and built around commonly agreed areas of work.

Other pre-conditions for achieving overall and specific objectives of the proposed action include strong political will (expressed in support from the high decision-making institutions), professional and technical capacity of the national anticorruption and regulatory institutions' staff, committed and active CSOs, especially focusing on women empowerment, disability rights and those who left behind, and the media.

## 3.5 The Intervention Logic

The underlying intervention logic for this action is that **IF** needs assessment and thorough review of the legal and policy documents essential for the administrative reforms and formation of a healthy anti-corruption ecosystem is conducted in line with international standards (UNCAC, Jakarta Statement and Colombo Comments on Anti-Corruption Agencies, Kuala Lumpur Statement on Anti-Corruption Strategies); and critical draft laws and other normative documents to facilitate the full alignment of the anticorruption ecosystem with international standards are developed based on the results of the needs assessment and review of the legislation, with mainstreaming climate change, human rights protection, gender equality, digitalisation, innovation, youth empowerment and conflict management and resilience; and national strategic policy documents on anticorruption are revised in line with the international standards to ensure that the ongoing national anti-corruption policy is strategic in nature, reflects long-term, multidimensional vision against corruption with a view of coordinating national action, and this ecosystem will be duly implemented and enforced **THEN** full-fledged legal and institutional reforms to create a solid public administration, anti-corruption and integrity ecosystem in the country will be developed and implemented with mainstreaming human rights protection, gender equality, disability rights, youth empowerment, climate change and conflict management and resilience.

**IF** a comprehensive local integrity systems assessment, using TI's methodology, is conducted to examine the local government bodies operations in terms of anticorruption systems, identify the main strengths and weaknesses and develop recommendations; and the concepts of "Island of Integrity", "Transparent Cities", and "Integrity Municipalities", implemented in other European countries to introduce full-fledged anticorruption systems at the regional and local level are piloted in selected regions, using inter alia UNDP Guide to Corruption-free Local Government, **THEN** integrity transformations and enabling anticorruption systems and tools will be extended at the regional and local levels.

**IF** active participation of individuals and groups outside the public sector (civil society, NGOs, media, whistle-blowers) in monitoring and preventing corruption is promoted through intensified anti-corruption awareness raising campaigns, small grants programmes, and educational activities aimed at forming an integrity culture; and the work of investigative journalists is supported, encouraging publications on corruption cases and providing capacity development support; and the legal framework on increasing the security of journalists, freedom of the media, access to information, liberalisation of the legislation on NGOs to support public oversight of anticorruption are analysed and the revisions suggested, **THEN** Demand Side and Social Accountability against corruption through promotion and active participation of individuals and groups outside the public sector will be enhanced with mainstreaming human rights protection, gender equality, disability rights, youth empowerment, climate change and conflict management and resilience.

**IF** full-fledged legal and institutional reforms to create a solid administrative, anti-corruption and integrity ecosystem in the country are developed and implemented, integrity transformations and enabling anticorruption systems and tools are extended at the regional and local levels, **THEN** national policy, legal and institutional frameworks, which consolidate the anti-corruption and integrity ecosystem in the country with robust preventive, enforcement and punitive measures, in line with best international practices will be improved, integrity capacities of the regional, district and local government authorities and self-governance bodies will be strengthened and more dynamic anti-corruption transformations in the regions of Uzbekistan will be deployed.

**IF** Demand Side and Social Accountability against corruption through promotion and active participation of individuals and groups outside the public sector are enhanced, **THEN** civic engagement and collective action for an effective and objective monitoring of the implementation of the National Anticorruption Strategy and greater public awareness to foster zero-tolerance towards corruption will be enhanced.

**IF** national administrative and anticorruption policy, legal and institutional frameworks are improved in line with best international practices with mainstreaming human rights protection, gender equality, youth empowerment, climate change and conflict management and resilience; integrity capacities of the regional, district and local government authorities and self-governance bodies are strengthened and more dynamic anti-corruption transformations in the regions of Uzbekistan deployed; as well as civic engagement and collective action are enhanced to foster zero-tolerance towards corruption in society, **THEN** the strategic, long-term and multi-dimensional administrative and anti-corruption reforms in the Republic of Uzbekistan will be promoted which are solid, comprehensive, effective, inclusive and fully integrated into national, regional and local development agendas, leading to the empowerment of all citizens, and especially vulnerable people including groups such as persons with disabilities, to enjoy equal opportunities for human development.

**IF** training programmes on systematisation of regulations governing the activities of state bodies, on systematisation of regulatory legal acts by branches of legislation and on systematisation of normative documents in the field of technical regulation are developed and carried out **THEN** the increased knowledge and skills of relevant civil servants will lead to the strengthening of the organisational, administrative, technical and legal capacities of the relevant government institutions to ensure high quality, predictable and accountable regulatory framework.

**IF** technical assistance on how to conduct impact assessments, how to systematise and streamline regulatory frameworks and how to establish a modern inventory of technical regulations is delivered **THEN** the government will be able to create a high-quality and compact system of normative and technical regulations.

**BECAUSE**, in this way, the full operation of the system of checks and balances is ensured, the legislative production and archiving is systematised and accessible by the population where progressive, democratic legislation that takes into account the interests of all sections of society ensures complete public control of an active, capable civil society over the state, preventing all manifestations of corruption, especially in those strata and geographically distant regions, where the most vulnerable segments of the population live and work, preventing them from being left behind.

### 3.6 Logical Framework Matrix

Results	Results chain: Main expected results (maximum 10)	Indicators: (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	To promote strategic, long-term and multi-dimensional administrative and anti-corruption reforms in the Republic of Uzbekistan and support the creation of an enabling regulatory environment for trade and economic development in the country	1: Percentile Rank of country in World Bank's (WB) Control of Corruption index under Worldwide Governance Indicators (WGI)  2: World Bank WGI Voice and Accountability Score	1: 2020 (21) – 15.9  2: -1.60 – 2019	1: 16.5 – 2024 18 - 2025 20 – 2026 22 – 2027  2: -0.80 – 2027	1: WB Report  2: WB data portals and reports	<i>Not applicable</i>
<b>Outcome 1</b>	Improve national policy, legal and institutional frameworks with robust preventive, enforcement and punitive measures in line with best international practices	1.1: Number of recommendations of the Fifth Round of Monitoring of OECD ACN Istanbul Action Plan for Uzbekistan, addressed to align with international standards  1.2: Number of recommendations of the of the Third Implementation Review Mechanism of UNCAC for Uzbekistan, addressed to align with international standards  1.3: Level of compliance of National Anticorruption Strategy in line with Kuala Lumpur Principles for anti-corruption strategies (Yes/No/Partially compliant indicator)	1.1: 0 - 2022  1.2: 0 - 2022  1.3: No - 2022	1.1: 5 – 2024 10 - 2025 15 – 2026 Full – 2027  1.2: 5 – 2024 10 – 2025 15 – 2026 Full – 2027  1.3: Partially – 2023; Partially - 2025 Yes – 2026	1.1: OECD ACN Report  1.2: UNCAC IRM Report  1.3: Annual Programme reports	Strong political will supporting the implementation of the Country Development Strategy for 2022-2026, which includes issues of administrative reforms and anti-corruption
<b>Outcome 2</b>	Strengthen integrity capacities of the national, regional, district and local government authorities with more dynamic anti-corruption transformations	2.1: Number of Regional governances where anticorruption (integrity) compliance systems introduced  2.2: Number of local institutions, in which system for income and asset declaration for public servants designed and piloted	2.1: 0 – 2022  2.2: 0 – 2022	2.1: 3 – 2024 6 – 2025 10 – 2026 Full 13 – 2027  2.2: 3 – 2024 6 – 2025 10 – 2026 Full 13 – 2027	2.1: Government reports  2.2: Government reports	Strong political will supporting the implementation of the Country Development Strategy for 2022-2026, which includes issues of administrative

						reforms and anti-corruption
<b>Outcome 3</b>	Enhance effectiveness of the implementation of the National Anticorruption Strategy by fostering civic monitoring and promote zero-tolerance towards corruption by raising public awareness	3.1: Level of liberalisation of legal framework on security of journalists, freedom of the media, access to information, legislation on NGOs liberalised (Yes/No/Partially compliant indicator)	3.1: No - 2022	3.1: Partially – 2024 Mostly – 2026 Full – 2027	3.1: Government, UNDP Reports	Strong political will supporting the implementation of the Country Development Strategy
<b>Outcome 4</b>	Strengthen organisational, administrative, technical and legal capacity of the Ministry of Justice to ensure high quality, predictable and accountable regulatory framework	4.1: World Bank WGI Government Effectiveness Score	4.1: -0,50 - 2022	4.1: 0.90 – 2027	4.1: WB Data portals and reports	Strong political will supporting the implementation of the Country Development Strategy
<b>Outcome 5</b>	Established high-quality and compact system of normative and technical regulations	5.1: GERF 2.10 Number of countries supported by the EU to (b) implement digital-related policies/strategies/laws/regulations	5.1: 0 – 2022	5.1: 1 – 2024	5.1: EU intervention and monitoring systems and reports	Smooth implementation of project activities
<b>Output 1 relating to Outcome 1</b>	1.1 Improved legal framework and more effective institutional reforms creating a solid anti-corruption and integrity ecosystem in Uzbekistan	1.1.1: Number of legal and/or regulatory acts and amendments drafted with support of the EU-funded intervention  1.1.2: Level of compliance of Standard Operating Procedures (SOPs) and other regulatory documents of the government agencies in line with international anticorruption instruments (Yes/No/Partially compliant indicator)	1.1.1: 0 – 2022  1.1.2: No – 2022	1.1.1: 3 – 2023 5 – 2024 6 – 2025 8 – 2026 8 – 2027  1.1.2: Partially – 2024 Partially – 2026 Yes – 2027	1.1.1: UNDP reports, regulation.gov.uz portal data, www.lex.uz data 1.1.2: UNDP, Government Reports	Timely monitoring of anticorruption policy reforms related to Programme interventions in order to make necessary adjustments in consultation with the Programme stakeholders
<b>Output 2 relating to Outcome 1</b>	1.2 Enhanced investigation and prosecution capacities and anti-money laundering mechanisms of the law enforcement and criminal justice institutions	1.2.1: Number of amendmends to Criminal Code beased on UNCAC provisions drafted with support of the EU-funded intervention  1.2.2: Number of banks' internal control personnel staff trained by the EU-funded intervention with increased	1.2.1: 0 - 2022  1.2.2: 0 - 2022  1.2.3: 0 - 2022	1.2.1: 2 – 2023 3 – 2024 5 – 2025 5 – 2026 10 – 2027  1.2.2: 20% – 2023 30% - 2024	Texts of laws and regulations Mass media reports Database of beneficiaries/participants Pre- and post-training test reports	



		<p>knowledge and/or skills on Anti Money Laundering (AML)/ Combating the Financing of Terrorism (CFT), disaggregated by sex, organised with support of the EU-funded intervention</p> <p>1.2.3: Number of law enforcement personnel trained by the EU-funded intervention with increased knowledge and/or skills on anticorruption, disaggregated by sex</p>		<p>50% - 2025 80% - 2026 100% - 2027</p> <p>1.2.3: 20% - 2023 30% - 2024 50% - 2025 80% - 2026 100% - 2027</p>		
<b>Output 1 relating to Outcome 2</b>	2.1 Reinforced anticorruption tools and systems at national, regional, district and local levels	<p>2.1.1: Number of districts where concepts of “Integrity Cities” are piloted with support of the EU-funded intervention</p> <p>2.1.2: Number of local governance Anti-corruption compliance and internal control units personnel trained by the EU-funded intervention with increased knowledge and/or skills on integrity, disaggregated by sex</p>	<p>2.1.1: 0 - 2022</p> <p>2.1.2: 0 - 2022</p>	<p>2.1.1: 2 - 2024 5 - 2025 7 - 2026 10 - 2027</p> <p>2.1.2: 50 - 2024 100 - 2025 150 - 2026 150 - 2027</p>	<p>2.1.1: Project reports for the EU-funded intervention, Government reports, media</p> <p>2.1.2: Pre- and post-training test reports, project reports, attendance lists, media</p>	
<b>Output 1 relating to Outcome 3</b>	3.1 Enhanced Demand Side and Social Accountability against corruption	<p>3.1.1: Number of discussions and platforms to share anti-corruption research and analysis results and produce recommendations for improvement of anti-corruption policy organised with support of the EU-funded intervention</p> <p>3.1.2: Number of journalists and bloggers trained (cumulatively) by the EU-funded intervention with increased knowledge and/or skills on investigative journalism, disaggregated by sex</p> <p>3.1.3: Number of Women NGOs, social activists, civil servicewomen trained (cumulatively) on integrating</p>	<p>3.1.1: 0 - 2022</p> <p>3.1.2: 0 - 2022</p> <p>3.1.3: 0 - 2022</p>	<p>3.1.1: 3 conferences and 3 public consultations with CSOs through 3 platforms</p> <p>3.1.2: 20 - 2023 30 - 2024 50 - 2025 100 - 2026 150 - 2027</p> <p>3.1.3: 20 - 2023 30 - 2024 50 - 2025</p>	<p>3.1.1: Project reports for the EU-funded intervention, Government reports, media</p> <p>3.1.2: Pre- and post-training test reports, Event attendance lists, media reports</p> <p>3.1.3: Project reports for the EU-funded intervention, attendance lists, media</p>	

		gender aspects of corruption in their principal activities		70 – 2026 100 – 2027		
<b>Output 1 relating to Outcome 4</b>	4.1 Enhanced Demand Side and Social Accountability against corruption	4.1.1: Number of employees of the MoJ and other civil servants trained by the EU-funded intervention with increased knowledge and/or skills on systematisation of legislation , disaggregated by sex	4.1.1: 0 - 2022	4.1.1: 2 - 2024	4.1.1: Progress reports for the EU-funded intervention  Pre- and post-training test reports	Smooth implementation of project activities
<b>Output 2 relating to Outcome 4</b>	4.2 Heightened capacities of civil servants from the MoJ and other institutions on conducting public consultations and awareness campaigns on draft legislation	4.2.1: Number of trainings to MoJ staff on conduct of public consultations of draft legislation accompanied by awareness raising campaign on public consultation mechanism  4.2.2: Number of draft legal acts which undergo public consultations with support of the EU-funded intervention	4.2.1: 0 – 2022  4.2.2: 43% – 2021	4.2.1: 1 – 2024  4.2.2: 53% – 2024	4.2.1: Progress reports for the EU-funded intervention, government reports  4.2.2: Progress reports for the EU-funded intervention, government reports from regulation.gov.uz portal	Smooth implementation of project activities
<b>Output 1 relating to Outcome 5</b>	5.1 Heightened capacities of civil servants from the MoJ and other institutions on systematisation of legislation, normative documents and technical regulations	5.1.1: Number of employees of state bodies trained by the EU-funded intervention with increased knowledge and/or skills on the subject of systematisation of regulations governing the activities of state bodies disaggregated by sex;  5.1.2: Number of employees of state bodies trained by the EU-funded intervention with increased knowledge and/or skills on the subject of systematisation of regulatory legal acts by branches of legislation disaggregated by sex;  5.1.3: Number of employees of the MoJ trained by the EU-funded intervention with increased knowledge and/or skills in the subject the systematisation of normative documents in the field of technical regulation disaggregated by sex.	5.1.1: 10 – 2022  5.1.2: 10 – 2022  5.1.3: 10 – 2022	5.1.1: 200 – 2024  5.1.2: 55 – 2024  5.1.3: 50 – 2024	5.1.1: Pre- and post-training tests reports  Project and government reports  5.1.2: Pre- and post-training tests reports  Project and government reports  5.1.3: Pre- and post-training tests reports  Project and government reports	Smooth implementation of project activities

<b>Output 2</b>  <b>relating to Outcome 5</b>	5.2 Upgraded and streamlined classification and systematisation of existing and planned legislation, normative documents and technical regulations	5.2.1: Number of technical assistance (trainings, consultations etc) delivered to beneficiary on how to conduct regulatory impact assessment and revision of existing procedures in this field	5.2.1: 0 – 2022	5.2.1: 5 – 2024	5.2.1: Project reports	
		5.2.2: Number of technical regulations governing the activity of different industries developed with support of the EU-funded intervention	5.2.2: 1,000 – 2021	5.2.2: 9 000 – 2024	5.2.2: Project reports, regulation.gov.uz portal	
		5.2.3: Number of regulations governing the activities of state bodies developed with support of the EU-funded intervention	5.2.3: 1,600 – 2021	5.2.3: 1,440 - 2024	5.2.3: Project reports, regulation.gov.uz portal	

## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the Republic of Uzbekistan.

### 4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

### 4.3 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

#### 4.3.1 Grants: direct management

A part of this action may be implemented through twinning grants.

##### **(a) Purpose of the grant**

Twinning grants are chosen as the implementation modality for the component involving the MoJ, which already benefitted successfully in October 2020 and March 2021 from a series of TAIEX workshops on regulatory impact assessment and on the systematisation of legislation. The knowledge gained from the workshops allowed the Ministry to prepare the legal basis for the process of comprehensive systematisation of legislation in Uzbekistan in the form of a Presidential Decree. The Ministry has proven that it has a clear vision of the changes that need to happen in Uzbekistan and needs assistance on how best to implement these changes. Twinning offers a framework for guided implementation of significant legislative changes and the introduction of new legislative methods and tools from one or more EU Member States and would thus allow the MoJ to learn and implement European best practices in a peer-to-peer setting, while ensuring the success of the project through the day-to-day assistance of the Resident Twinning Advisor.

The overall objective of the Twinning is to support Uzbekistan's reforms towards creating an enabling regulatory environment for trade and economic development in the country. The Twinning is aimed at achieving the specific objectives 4. Strengthen organisational, administrative, technical and legal capacity of the MoJ to ensure high quality, predictable and accountable regulatory framework and 5. Establish high-quality and compact system of normative and technical regulations.

##### **(b) Type of applicant targeted**

Public Administrations of EU Member States

#### 4.3.2 Indirect Management with a pillar assessed entity

A part of this action may be implemented in indirect management with an entity, which will be selected by the Commission services using the following criteria:

- Long-standing experience in Uzbekistan and strong trust and credibility with national partners in the area of administrative reforms;
- Strong network of official and civil society contacts, including with anti-corruption institutions and watchdogs;

- Strong development expertise ensuring long-term developments focuses and outcomes;
- Highly effective mechanisms for transparency, accountability and integrity.

The implementation by this entity entails the achievement of the following specific objectives: 1. Improve national policy, legal and institutional frameworks with robust preventive, enforcement and punitive measures in line with best international practices; 2. Strengthen integrity capacities of the national, regional, district and local government authorities with more dynamic anti-corruption transformations.

In case the envisaged entities would need to be replaced, the Commission services may select a replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified following consultation of the respective entities in due time beforehand.

#### 4.3.3 Indirect Management with a pillar assessed entity

A part of this action may be implemented in indirect management with an entity, which will be selected by the Commission services using the following criteria:

- Long-standing experience in Uzbekistan and strong trust and credibility with national partners in the area of administrative reforms;
- Strong network of official and civil society contacts, including with anti-corruption institutions and watchdogs;
- Strong development expertise ensuring long-term development focuses and outcomes;
- Highly effective mechanisms for transparency, accountability and integrity.

The implementation by this entails achieving the specific objective 3: Enhance the effectiveness of the implementation of the National Anticorruption Strategy by fostering civic monitoring and promote zero-tolerance towards corruption by raising public awareness.

The entity is envisaged to contribute to a strategic approach to the EU's engagement in Uzbekistan strengthening its added value in terms of potential operational impact and taking advantage of the window of opportunity given by the political will and ownership shown by Uzbekistan's leadership in carrying out the reform agenda.

In case the envisaged entities would need to be replaced, the Commission services may select a replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified following consultation of the respective entities in due time beforehand.

#### 4.3.4 Changes from indirect to direct management mode due to exceptional circumstances

Due to exceptional circumstances, the indirect management mode in the sections 4.3.2 and/or 4.3.3 could be implemented in direct management (procurement).

#### 4.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

#### 4.5 Indicative Budget

Indicative Budget components	EU contribution
------------------------------	-----------------

	(amount in EUR)
Implementation modalities – cf. section 4.3	
<b>Specific Objective 1</b> – Indirect management with a pillar assessed entity – cf. section 4.3.2	2,000,000.00
<b>Specific Objective 2</b> – Indirect management with a pillar assessed entity – cf. section 4.3.2	2,000,000.00
<b>Specific Objective 3</b> – Indirect management with a pillar assessed entity – cf. section 4.3.3	2,000,000.00
<b>Specific Objective 4</b> – Direct management (grants twinning) – cf. section 4.3.1	1,400,000.00
<b>Specific Objective 5</b> - Direct management (grants twinning) – cf. section 4.3.1	400,000.00
<b>EVALUATION and AUDIT</b> cf. sections 5.2 and 5.3	200,000.00
<b>Totals</b>	8,000,000.00

## 4.6 Organisational Set-up and Responsibilities

For the implementation of the proposed action it is foreseen to sign two separate contribution agreements: one with a UN Agency and one with an EU Consortium with clear and distinct outputs.

The contribution agreement with a UN Agency will follow a standard organisational set-up with the establishment of a Project Implementation Team (unit) to develop annual plans, programming and budgeting, and deliver activities within time and resource constraints. It will normally consist of Project Manager, Task Managers for each Output, staff for operations (administrative, finance, procurement and other tasks). The project will be managed at the highest level by the Project Board and will be responsible for making consensus-based strategic decisions for the project. The Board will provide strategic guidance to the project, oversee progress, review, and approve Annual Report and Workplans, as well as the Final Report. The Project Board will convene at least annually to hold regular reviews, assess the performance of the project and approve the Workplans.

The contribution agreement with an EU Consortium will be signed with the designated entity. The EU Delegation will facilitate the internal communication and working arrangements within the Consortium, but the ultimate work and final decisions are left to the members of the Consortium.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

## 4.7 Pre-conditions

The signature of the Financing Agreement with the Republic of Uzbekistan is a pre-condition before the start of activities.

# 5 PERFORMANCE MEASUREMENT

## 5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

#### Roles and responsibilities for data collection, analysis and monitoring:

The project has preliminarily defined a set of milestones and results-oriented objectively verifiable indicators that will be reviewed in the Project inception phase. Attention will be paid to the simplicity, measurability, adequacy, relevance and timeliness of the objectively verifiable indicators included in the logical framework matrix. Where possible, the project will collect primary information to set up a baseline that will identify targets for specific indicators. This will be finalised during the inception phase or during the first months of the project, since some of these primary data will need to be drawn from specific assessments or studies.

The indicators are gender-sensitive as much as possible, and efforts will be made to get sex and disability-disaggregated data from the various users or beneficiaries from this project. Gender expertise and disability rights expertise will be involved in the establishment of indicators, data collection and monitoring and evaluation.

The work plan will be another important document for the purposes of monitoring and of assessing performance from the point of view of project management. The work plan will be prepared during the project formulation and finalised in detail during the inception phase. It will also be adjusted and updated as needed during the project implementation, in close consultation with the EU Delegation. Because of its importance in the process of shaping the work plan and the logical framework, the inception report will be a key milestone of the first part of the project and will serve to fine-tune some of the activities and expected results.

Regular monitoring of the progress of implementation of project activities will be ensured by all of the project staff in their specific roles. A proposed monitoring and evaluation framework will be prepared during the project inception phase. Continuous monitoring will generate quantitative feedback on the implementation, preventing deviations from operational objectives, ensuring accountability for spending and enabling the evaluation of the process.

The project reports will provide a clear picture of the status of the project at the various stages of implementation, ensuring the appropriate tracking of progress in terms of outputs and results, as set forward in the logical framework, through indicators, baselines and targets. The ultimate reporting responsibility will lie with the implementing partners. Direct responsibility for preparing all reports will lie with the project coordinators and advisors. All reports will be written in English. If necessary, working documents and reports should be translated into Russian. Formats for the inception, interim, final and mission reports shall follow the relevant guidelines for pillar assessed organisations, and their tables of contents shall be agreed upon.

Reporting will include inception report, annual progress report, annual certified financial reports, mission reports of the Project experts, technical reports and the final project report. Reporting will be carried out in compliance with the Special Conditions to the General Conditions and with the relevant framework agreements signed with the European Union.

## 5.2 Evaluation

Having regard to the nature of the action, a mid-term and a final evaluation will be carried out for this action or its components via independent consultants. It will be carried out for problem solving and learning purposes, in particular with respect to address all measurable questions for the programme. This will include the definition of an explicit theory of change against which the final evaluation will judge the worth of the programme. Furthermore, it is expected that the evaluation will come up with specific and tailored recommendations on appropriate and relevant indicators at strategic and operational level that will be used and monitored during the implementation process. The mid-term evaluation/assessment will also suggest, if needed, adjustments to the course of action, in order to achieve the expected outputs, analyse the feasibility of launching a second phase of the action.

The Commission shall inform the implementing partner at least 30 days in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

Evaluation services may be contracted under a framework contract.

### 5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

## 6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.



## APPENDIX 1 REPORTING IN OPSYS

An Intervention (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

The present Action identifies as

<b>Option 1: Action level</b>		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action
<b>Option 2: Group of actions level</b>		
<input type="checkbox"/>	Group of actions	Actions reference (CRIS#/OPSYS#): <Present action> <Other action>
<b>Option 3: Contract level</b>		
<input type="checkbox"/>	Single Contract 1	<foreseen individual legal commitment (or contract)>
<input type="checkbox"/>	Single Contract 2	<foreseen individual legal commitment (or contract)>
<input type="checkbox"/>	Single Contract 3	<foreseen individual legal commitment (or contract)>
	(...)	
<input type="checkbox"/>	Group of contracts 1	<foreseen individual legal commitment (or contract) 1> <foreseen individual legal commitment (or contract) 2> <foreseen individual legal commitment (or contract) #>