

**United Nations Development Programme**  
**Country: Uzbekistan**  
**Project Document**

**Project Title (Short title)** Support to foreign trade and investment promotion in Uzbekistan

**UNDAF Outcome:** 1. Economic well-being of vulnerable groups is improved

**Expected CP Outcome:** Increased employment opportunities and economic security for vulnerable groups

**Expected Output:** Inclusive microfinance and business advisory and support services facilitated, as well as investment attraction capacities increased.

**Implementing Partner:** Ministry for Foreign Economic Relations, Investments and Trade (MFERIT)

**Responsible Parties:** UNDP; Chamber of Commerce and Industry; "Uzinfoinvest" agency

**Brief Description**

Foreign trade facilitation and foreign investments attraction is an essential driving force for the country's economic growth and development. They help the country to integrate into the world economy, to better specialize and get access to more advanced technologies. Foreign trade and investments provide access to both tangible assets and intellectual property, best international practices in production and management, thus positively influence local corporate governance. Trade and investments are interlinked and compliment each other; they drive economic productivity and build jobs.

In order to effectively harness benefits of foreign trade and investments governments should have institutions and policies that create enabling environment for investments and promote business competition. Uzbekistan has maintained macroeconomic stability, achieved high economic growth rates not least fuelled by growth in exports and foreign investments. Nevertheless, the trend in exports of raw materials persists and investments are concentrated in a few sectors and regions.


So, the project will concentrate on regional and sectoral diversification of exports and foreign investments. In order to do this the project will support the government and national partners in provision of trade support services, investor servicing and developing and maintaining on-line tools. Provision of policy advice and promotion of effective dialogue between the government and private sector, investors and development partners will be an integral part of the project activities. The project will use targeted approach in its activities selecting specific sectors and regions. The ultimate goal is to ensure that benefits from diversification and expansion of exports and investments accrue to larger segment of population, vulnerable groups and rural population through opening more jobs, provision of higher incomes and giving them access to affordable goods and services.

Programme Period:	Country Programme 2010-2015
Key Result Area:	1. Promoting inclusive growth, gender equality and MDG achievement
Atlas Award ID:	00059808
Project ID:	00074965
Start date:	01/05/2010
PAC meeting date:	26/04/2010
End Date:	31/12/2012

2010 AWP budget:	105,000 USD
Total resources required	379,750 USD
Total allocated resources:	379,750 USD
Regular	379,750 USD
Government in-kind (office space, telephone lines)	

Agreed by MFERIT:  Nasridin Najimov, First Deputy Minister

Agreed by UNDP:  Anita Nirody, UNDP Resident Representative

Date:  05/06/2010

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## I. SITUATION ANALYSIS

Uzbekistan is a double landlocked country and is located far from seaports. Nevertheless, the country has favorable geographic location for developing intra-continental transit and transport capacities. It possesses well-developed road and railroad infrastructure and has necessary transport infrastructure and corridors to link east to west and north to south. The country is the world's third-largest cotton exporter, a major producer of gold and natural gas, and regionally significant producer of chemicals and machinery. Among its major industrial sectors are automobile production, chemicals, oil and gas, processed food and textiles manufacturing.

Since gaining independence in 1991 the government actively used policy and regulatory tools to influence foreign trade. In combination with agricultural reforms and attraction of investments into energy sector, the government was able to reduce dependence on imported food and energy. In order to industrialize the country and further expand import-substitution policies currency rationing was introduced under the managed exchange rate regime. As a result, large scale investment projects were implemented, existing sectors were modernized and new sectors like automobile production were created. This period is however characterized by modest exports and stable economic growth. In 2003 the Government took steps to liberalize foreign exchange market and to ensure convertibility of the national currency – soum. These changes made possible for foreign trade and foreign exchange regulation systems to become more unified and transparent, thus reducing administrative hurdles towards more simplified foreign trade procedures. In order to provide information to foreign investors about investment opportunities, legal framework and incentives in Uzbekistan, support them in establishing their businesses in the country, and to promote investment image of Uzbekistan both at home and abroad the government in 2007 established “Uzinfoinvest” Investment Promotion Agency.

UNDP Uzbekistan through its joint “Support to External Economic Policy” project with the Ministry for Foreign Economic Relations, Investments and Trade supported the Government in improving the institutional framework for trade facilitation and export promotion, attraction of foreign investments through facilitation of dialogue involving different national stakeholders on the country's integration into the world trade and economy. During the period of 2006-2009 the Investment Guides and Catalogues for 2007 and 2009, Cost of doing business in Uzbekistan for 2007 and 2009, Guides for food-processing sector and region of Ferghana valley were produced. These publications serve as major information source for foreign investors<sup>1</sup> and set standards for similar publications. As a result “Uzinfoinvest” agency started producing its own investment publications and has built capacity to continue UNDP supported ones. The project also supported national partners at conducting trade exhibition in Afghanistan, investment forum of Uzbekistan in Malaysia, and produced several important research papers, including one on Special Economic Zones.

During the period of 2005-2008 the average annual growth rate of exports was 28.9% and the volume more than doubled. Foreign investments<sup>2</sup> grew at an impressive rate of 75,4% and the amount reached 2,5 billion USD in 2009. Both of these contributed to the rapid economic growth which peaked at 9.5% in 2007. In late 2008 the government established Free industrial economic zone in Navoi region with generous tax, customs and other incentives for foreign investors. On March 12, 2009 the Government adopted very ambitious investment program (Presidential Resolution #1072) for the period 2009-2014 with total committed investments of about 22.97 billion US dollars for 181 projects, including 15.1 billion foreign investments for 80 projects, and pipeline of 77 projects for the total amount of 12.2 billion USD, including 7.5 billion foreign investments. This represents in annual terms<sup>3</sup> a twofold increase from already achieved high levels and will require better coordination in investment attraction, project implementation and provision of services to investors on the part of MFERIT, “Uzinfoinvest” agency, other government institutions, business associations and private sector. The sectoral breakdown of foreign investments in this program is similar to what is already

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<sup>1</sup>See “Uzinfoinvest” agency's site at <http://www.investuzbekistan.uz/>

<sup>2</sup> Includes FDI and foreign loans in the framework of State investment program, but excludes government guaranteed loans.

<sup>3</sup> Of course, the total amount will not be evenly spread over the period.

observable and with its 86.1% share is heavily skewed to raw materials production (oil & gas, and metals). So, during the second phase of implementation one of the objectives of the project should be regional and sectoral diversification of investments, with deeper processing of raw materials and semi-finished products, benefiting wider range of stakeholders, who could get better employment and income opportunities, access to cheaper goods and services, and also lessen negative impact on environment.

Even though during 2005-2008 export growth was remarkable, this was largely due to favorable prices for main Uzbek exports. This trend based on favorable world market conditions is not sustainable, and dependence on few commodities makes the country vulnerable to external shocks. In 2009 the export growth rate was 2.4% and at the same time share of energy products (mainly natural gas) reached 40%. So, during the second phase of implementation the project will support MFERIT and its regional branches, CCI and private sector to increase export potential of enterprises in the regions, small businesses and businesses in labor-intensive sectors. The government also recognizes importance of export growth, sectoral and regional diversification of exports as a basis of sustainable high economic growth in the future<sup>4</sup>.

In order to further facilitate trade and attract foreign direct investments into the country to ensure sustainable economic development and better income opportunities for the people of Uzbekistan, the project will provide assistance in the following areas:

- **Trade facilitation and export promotion** to boost the development and diversification of exports, to identify and develop the best ways to promote export through business focused operational partnerships.
- **Support to foreign investment promotion and facilitation institutions** as proactive investment outreach approach combined with efficient investor services necessary to complement the improving business climate and to boost the inflow of FDI into Uzbekistan.

Uzbekistan faces a variety of specific issues and challenges that should be overcome for further development of foreign trade and investment to greater economic performance and development. Some existing barriers imply additional transactional costs for foreign trade and impede foreign investment attraction into the country. Despite changing circumstances, foreign trade facilitation and investment promotion remain among top economic reform priorities, which is evidenced by the series of resolutions and statements issued by the Government of Uzbekistan.

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## II. STRATEGY

This project is intended to assist the Government of Uzbekistan in strengthening its capacities for trade facilitation, export promotion and strengthening foreign investment promotion institutions, and improving regulatory framework for foreign trade and investments. The project will actively work on capacity development at regional and sectoral levels.

- **Strengthening the Government's institutional capacity in foreign trade facilitation and export promotion.**
  - The principal objective is to strengthen the capacity of MFERIT and other national institutions in provision of trade support services. In this respect the project will support national partners in developing marketing services for exporters in regions. For this purpose, Namangan region<sup>5</sup> has been selected for piloting of these services.
  - The project will provide policy advice to the government on facilitating foreign trade and promoting exports. This will be done through conducting studies in international trade transaction procedures, logistics system and costs, compliance procedures in foreign markets and their costs

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<sup>4</sup> President in his speech set a task for the Cabinet of Ministers to take measures to increase exports by at least 8,5%, and to diversify its structure, increase share of high-value added manufactured goods.

<sup>5</sup> Namangan is relatively less industrialized, low income region, yet it has good economic and export potential, especially in food-processing and light industries.

for domestic companies, development of physical infrastructure for trade and will develop a program on enhancing export potential of the country.

- The project will also work with relevant government agencies, private sector representatives and development partners on creating effective dialogue on foreign trade issues in order to streamline foreign trade procedures, including establishing 'single window' – one time submission for exporters.
- The project will study the issues of improving the competitiveness of national producers-exporters targeting specified sectors and will develop a program on modernization of the sector, enhancing its export potential with the aim to attract investors and expand exports of finished goods to foreign markets.
- The project based on the study of the production potential of national companies will study global value chains to seek outsourcing opportunities, especially in manufacturing sector.

▪ **Strengthening capacities of the Government institutions in investment facilitation, advocacy and investor servicing.**

- The project will work with the "Uzinfoinvest" agency, regional offices of MFERIT and CCI in a pilot region in analysis of production infrastructure with the aim to identify its potential for producing goods from local raw materials and export them to foreign markets with attraction of foreign investments.
- The project will also work in improving the system of provision of information to foreign investors and on-line services, but will shift the focus to regions, specific sectors and will target its support to concrete needs of foreign investors.
- In order to facilitate technology transfer and human capital development the project will facilitate backward investment linkages, especially support national partners in establishing cooperation with TNCs. This will help to improve export potential of local companies and will ensure their integration in global value chains.
- The project will work with regional authorities, relevant ministries and private sector representatives on developing clusters of interconnected businesses in the regions thus bring synergistic effects through tie-ups with the regional promotion policies and achieve economies of scale for sector specific development of the region.

### **Partnership strategy**

The project components need to be discussed with a wide range of government institutions, donors and private sector representatives to elaborate viable and targeted policy recommendations and solid action plans for further implementation. Several multilateral and bilateral donors have recognized the importance of strengthening capacities of trade and investment facilitation institutions to foster trade diversification and speed up economic reforms in Uzbekistan. Coordination and creation of positive synergies are crucial for avoiding overlaps and duplications, as well as for long-term development of trade and investment facilitation issues. The World Bank, IFC, Swiss Agency for Development and Cooperation, GTZ, ADB and other donors provided and are continuing to provide assistance in trade development and investment attraction issues. The project will ensure that the activities are coordinated with related projects to ensure complementarity and avoid duplication of activities. This will be achieved through a number of discussions with partner organizations to identify synergies and areas of possible cooperation for effective implementation of the project.

### III. RESULTS AND RESOURCES FRAMEWORK

<p><b>Intended Outcome as stated in the Country Programme Results and Resource Framework:</b>  <i>Outcome 1.</i> Increased employment opportunities and economic security for vulnerable groups</p> <p><b>Outcome indicators as stated in the Country Programme Results and Resources Framework:</b>  <i>Indicators:</i> Number of poor communities who benefit from increased employment opportunities, as well as from improved access to microfinance, business advisory facilities and basic social services.  <i>Baseline:</i> 200  <i>Target:</i> 500</p> <p><b>Applicable Key Result Area (from 2008-11 Strategic Plan):</b> 1. <i>Promoting inclusive growth, gender equality and MDG achievement</i></p> <p><b>Partnership Strategy:</b> Implementing partner - <i>Ministry for Foreign Economic Relations, Investments and Trade, other responsible parties – UNDP, Chamber of Commerce and Industry</i></p> <p><b>Project title and ID (ATLAS Award ID):</b> <i>Support to foreign trade and investment promotion in Uzbekistan – 00074965 (00059808)</i></p>				
INTENDED OUTPUT(S)	OUTPUT TARGETS (YEARS)	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
<p><b>Output 1:</b> Strengthened capacity of the Government of Uzbekistan and regional authorities to diversify exports, to stimulate exports by SMEs and to facilitate flow of investments into regions and manufacturing sector.</p> <p><b>Baseline 1:</b> The Government acknowledges that commodities dominate in exports and there is need to increase exports by SMEs, especially manufactured goods to facilitate sustainable economic growth and welfare improvement.</p> <p><b>Indicators:</b>  1.1. Number of policy reports/publications on improving trade developed and on-line export promotion tools launched.  1.2. Number of public servants introduced to international best practices on foreign trade promotion.  1.3. Number of public-private dialogue events conducted on foreign trade and investment promotion issues.  1.4. Number of businesses supported to market and export their products to foreign markets.</p>	<p><b>Year 2010</b>  1.1.1. Policy report on development of 'single window' – one time submission for exporters is produced and practical recommendations are submitted.  1.1.2. Report on assessment of production possibilities with the list of goods (non-food products) that can be manufactured in Uzbekistan on the basis of local raw materials developed and submitted to the government.</p>	<p><b>Activity result 1:</b> Strengthened capacity of the government and regional institutions in foreign trade facilitation and export promotion.</p> <p><b>Year 2010</b>  1.1.1. In cooperation with the government and development partners collecting information about current procedures. Recruiting national consultants to work on specific issues of contract registration, technical compliance. Drafting a report and submitting it to partners to develop and amend relevant legislation.  1.1.2. Recruiting national consultants to prepare the study on possibilities of manufacturing non-food products on the basis of local raw materials along with the list of the corresponding goods and sources of available raw materials.</p>	<p>Ministry for Foreign Economic Relations, Investments and Trade, Chamber of Commerce and Industry, Ministry of Economy, IPA  "Uzintinvest"</p> <p>Donors: UNDP</p>	<p><b>Total for activity 1 - \$ 47,100</b></p> <p>2010: \$ 17,050  2011: \$ 15,000  2012: \$ 15,050</p>

	<p>1.2. At least 30 specialists and private sector representatives are trained in marketing instruments and techniques used in promoting exports in international markets (at least 20% of participants are women).</p> <p>1.3. At least 2 round-tables on foreign trade and export promotion issues are held with stakeholders (at least 20% of participants are women).</p> <p>1.4. Market information on export opportunities and market access requirements provided to at least 2 businesses in two sectors through associations and regional authorities.</p>	
	<p>1.2. Identification of adequate curriculum and trainers/training institutions. Identify key government specialists and non-government institutions responsible for export promotion.</p> <p>1.3. Identifying the scope of discussions and preparation of the agenda of round table on foreign trade and export promotion. Developing with participation of main stakeholders the concept and program of the round tables. Identifying the main presenters. Forming the list of participants. Preparation of questionnaire on main issues of agenda and forwarding it to participants. Renting the facilities and equipment needed. Organizing the event. Summarizing the results of the seminar and poll and developing the recommendations.</p> <p>1.4. The project with the support of MFERIT will compile the database of potential exporters and select 2 companies which have stable operations in local market. The project will hire national experts and with support of MFERIT, CCI and other partners will conduct market research to promote products of these companies to foreign markets.</p>	
	<p><b>Year 2011</b></p> <p>1.1.1. Gain knowledge of TNCs supply chains. Identify opportunities for local enterprises based on their production capacity. Present these capacities to TNC affiliates and sign them up to this program. Recruit national consultants to work out technical requirements and necessary changes to production processes. Support SMEs in meeting requirements, strategic and operational management, standardization and certification processes.</p> <p>1.1.2. Conduct assessment of current fresh fruit and vegetable production, recruit agricultural economist to assess market potential and profitability of cold storage of fresh produce.</p> <p>1.2. Identification of adequate curriculum and trainers/training institutions. Identify key government specialists and non-government institutions responsible for introducing quality standards.</p>	
	<p><b>Year 2011</b></p> <p>1.1.1. A market study on global supply chains of TNCs with practical recommendations in identification of suitable SMEs for potential linkage deals, including outsourcing opportunities is produced.</p> <p>1.1.2. A study of the developing the system of long-term storage of fresh fruits and vegetables for further increasing the volume of export in Uzbekistan is prepared.</p> <p>1.2. At least 30 specialists and private sector representatives are trained on quality standards in targeted sector for exporters (at least 20% of participants are women).</p> <p>1.3. At least 2 round-tables on foreign trade and export promotion issues are held with stakeholders (at least 20% of participants are women).</p> <p>1.4. At least 3 leads for potential linkages are identified, market information and technical requirements are provided to relevant local companies.</p>	

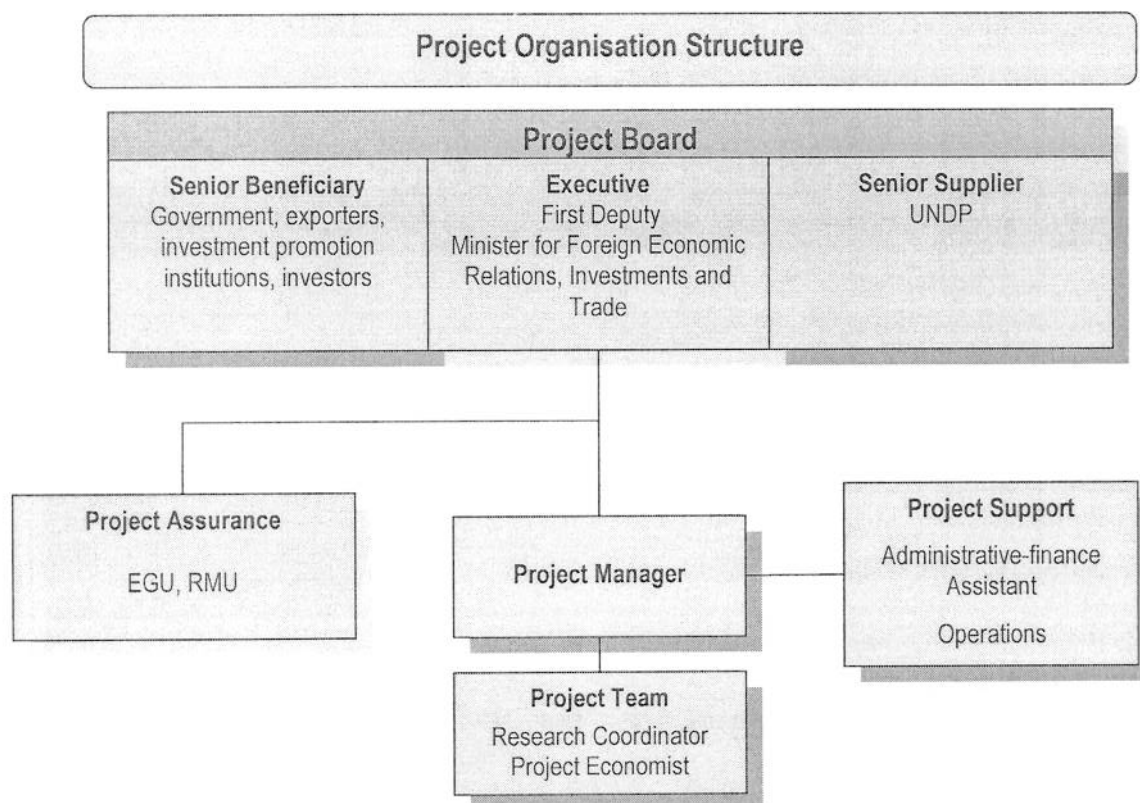
		<p>1.3. Identifying the scope of discussions and preparation of the agenda of round-tables on foreign trade and export promotion. Developing with participation of main stakeholders the concept and program of the round-tables. Identifying the main presenters. Forming the list of participants. Preparation of questionnaire on main issues of agenda and forwarding it to participants. Renting the facilities and equipment needed. Organizing the events. Summarizing the results of round-tables and polls and developing the recommendations on export promotion.</p> <p>1.4. Conduct business linkages scoping studies, meet with foreign affiliates and potential SME partners to identify needs and obstacles, support in establishing business linkages, assist selected local SME managers in strategic management of their enterprises, provide feedback to SME partners in terms of their meeting the foreign affiliate's standards of production and management. Assess progress together with the SME partner.</p> <p><b>Year 2012</b></p> <p>1.1.1. Recruiting national consultants (if needed international consultant) to study the issues related to logistics which is the main cost component of exports and present recommendations to MFERIT.</p> <p>1.1.2. Recruiting national consultants to conduct the study on export promotion and develop the guide for exporters.</p> <p>1.2. Identification of adequate curriculum and trainers/training institutions. Identify key government specialists and non-government institutions responsible for export promotion.</p> <p>1.3. Identifying the scope of discussions and preparation of the agenda of round-tables on foreign trade and export promotion. Developing with participation of main stakeholders the concept and program of the round-tables. Identifying the main presenters. Forming the list of participants. Preparation of questionnaire on main issues of agenda and forwarding it to participants. Renting the facilities and equipment needed. Organizing the events. Summarizing the results of round-tables and polls and developing the recommendations on export</p>
	<p><b>Year 2012</b></p> <p>1.1.1. A policy paper on logistics issues of exported goods and recommendations on optimization of logistics system is produced.</p> <p>1.1.2. Special guide for exporters developed.</p> <p>1.2. At least 20 specialists are trained on marketing means, instruments and techniques used in promoting exports on international markets.</p> <p>1.3. At least 2 round-tables on foreign trade and export promotion issues are held with stakeholders (at least 20% of participants are women).</p>	

<p><b>Baseline 2:</b> The Government acknowledges the need to strengthen capacity of trade and investment promotion institutions.</p> <p><b>Indicators:</b></p> <p>2.1. Number of policy reports on improving investment climate and recommendations on investment related issues produced.</p> <p>2.2. Number of investment promotion publications and on-line tools developed and disseminated.</p> <p>2.3. Number of public servants introduced to international best practices in investment facilitation, advocacy and investor servicing.</p> <p>2.4. Number of investment promotion events.</p> <p>2.5. Integration of national investment promotion institutions to international investment community supported..</p>	<p>promotion.</p> <p><b>Activity result 2:</b> Strengthened institutional capacity of MFERIT, IPA "Uzinfoinvest" and other institutions in investment facilitation, advocacy and investor servicing</p>	<p><b>Total for activity 2 – \$ 154,650</b></p> <p>2010: \$ 43,950 2011: \$ 62,700 2012: \$ 48,000</p> <p><b>Project Administration – \$ 178,000</b></p> <p>2010: \$ 44,000 2011: \$ 67,000 2012: \$ 67,000</p>
<p><b>Year 2010</b></p> <p>2.1. A paper on production capacities and infrastructure of one pilot region with recommendations on further development is produced and submitted to the government.</p> <p>2.2.1. One sectoral guide with detailed investment projects is prepared and made available on-line.</p> <p>2.2.2. Unified database of investment projects developed and the capacity of department of MFERIT responsible for facilitation of investments in Uzbekistan strengthened.</p> <p>2.2.3. Developing and publishing of quarterly magazine "Foreign investments in the Republic of Uzbekistan" supported.</p> <p>2.2.4. Investment web-site (<a href="http://www.investuzbekistan.uz">www.investuzbekistan.uz</a>) improved.</p> <p>2.3. At least 20 specialists are trained on investor targeting (at least 20% of participants are women).</p> <p>2.5. Institutional potential of "Uzinfoinvest" agency strengthened and integration to international organizations responsible for investment promotion facilitated.</p> <p><b>Year 2011</b></p> <p>2.1. Policy paper on developing clusters of interlinked businesses, including innovative firms with practical recommendations produced.</p>	<p><b>Year 2010</b></p> <p>2.1. Recruiting team of national consultants to conduct the study on production capacities based on statistical data and survey of producers. Developing the paper and recommendations.</p> <p>2.2.1. Recruiting team of national consultants to conduct the study on investment opportunities of targeted sector and prepare investment guide with detailed investment projects and recommendations.</p> <p>2.2.2. Needs assessment made on strengthening the capacity of department of MFERIT responsible for facilitation of investments. Database software developed, IT equipment procured and relevant training conducted for the specialists of the department.</p> <p>2.2.3. Recruiting national consultants, designers, for developing and publishing magazine "Foreign investments in the Republic of Uzbekistan".</p> <p>2.2.4. Recruiting web design company and together with "Uzinfoinvest" agency developing/improving the web-site and creating database of investment projects.</p> <p>2.3. Identification of adequate curriculum and trainers/training institutions. Identify key government specialists and non-government institutions responsible for promotion of investments.</p> <p>2.5. "Uzinfoinvest" agency integration to international investment community facilitated through support of membership in WAIPA.</p> <p><b>Year 2011</b></p> <p>2.1. Recruiting team of national consultants to conduct the study on developing clusters of interlinked businesses. Developing the paper and recommendations.</p>	<p><b>TOTAL - \$ 379,750</b></p> <p>2010: \$ 105,000 2011: \$ 144,700 2012: \$ 130,050</p>



	<p>2.2.1. One sectoral and one regional guides with detailed investment projects are prepared and made available on-line.</p> <p>2.2.2. Developing and publishing quarterly magazine "Foreign investments in the Republic of Uzbekistan" supported.</p> <p>2.2.3. At least one feasibility study on developing cluster of firms in one geographic location with excess labor resources conducted together with MFERIT and regional authorities and investment facilitation program developed.</p> <p>2.3.1. At least 20 specialists of the government are familiarized with recommendations on cluster formation and trained on the issue of cluster creation and development (at least 20% of participants are women).</p> <p>2.3.2. At least 10 specialists participated in training programs and study tours on investment promotion issues.</p> <p>2.4. At least 1 investment forum conducted.</p> <p><b>Year 2012</b></p> <p>2.1. Policy paper on promotion of energy efficient technologies to the country and manufacture of energy efficient products.</p> <p>2.2. Developing and publishing quarterly magazine "Foreign investments in the Republic of Uzbekistan" supported.</p> <p>2.3.1. At least 20 specialists of MFERIT and its regional departments are trained on project appraisal and preparation of feasibility studies (at least 20% of participants are women).</p> <p>2.3.2. At least, 10 specialist participated in training programs and study tours on investment promotion issues.</p> <p>2.4. At least 1 investment forum conducted.</p>	<p>2.2.1. Recruiting national consultants to prepare sectoral and regional investment guides with detailed investment projects and recommendations.</p> <p>2.2.2. Recruiting national consultants, designers, for developing and publishing magazine "Foreign investments in the Republic of Uzbekistan".</p> <p>2.2.3. Recruiting consultants to prepare feasibility study on developing cluster of firms in one geographic location with excess labor resources.</p> <p>2.3.1. Identification of adequate curriculum and trainers/training institutions. Identify key government specialists and non-government institutions responsible for elaborating industrial policies and attraction of investments.</p> <p>2.3.2. Organization of trainings with participation of WAIPA, UNIDO and other institutions' experts on investment promotion.</p> <p>2.4. Developing the concept of the events, compiling list of participants and recruiting national consultants to prepare analytical materials for the event.</p> <p><b>Year 2012</b></p> <p>2.1. Recruiting national consultants to elaborate and prepare policy paper on energy efficient production technologies and manufacturing of energy efficient products.</p> <p>2.2. Recruiting national consultants, designers, for developing and publishing magazine "Foreign investments in the Republic of Uzbekistan".</p> <p>2.3.1. Identification of adequate curriculum and trainers/training institutions. Identify MFERIT and its regional specialists responsible for project appraisal and preparation of feasibility studies.</p> <p>2.3.2. Organization of trainings with participation of WAIPA, UNIDO and other institutions on investment promotion.</p> <p>2.4. Developing the concept of the events, compiling list of participants and recruiting national consultants to prepare analytical materials for the event.</p>	
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#### IV. MANAGEMENT ARRANGEMENTS



The project activities will be implemented according to the UNDP procedures for national implementation (NIM). The project will be nationally implemented with the Ministry for Foreign Economic Relations, Investments and Trade (MFERIT) as the implementing partner.

In accordance with the provision of the letter of agreement signed on 30 April 2010 and the approved Country Programme Action Plan 2010-2015, the UNDP Country office shall provide support services for this project, as described below.

##### **Direct UNDP Country office Support Services to the Programme Implementation**

The UNDP and MFERIT have agreed that the UNDP Country Office will provide the following support services for the project activities at the request of the MFERIT for the whole duration of the project cycle:

- (a) Identification and/or recruitment and solution of administrative issues related to the project personnel;
- (b) Procurement of commodities, labor and services;
- (c) Identification and facilitation of training activities, seminars and workshops;
- (d) Financial monitoring and reporting;
- (e) Processing of direct payments;
- (f) Supervision of project implementation, monitoring and assistance in project assessment.

The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of MFERIT is strengthened to enable it to carry out such activities directly.

When providing the above support services, the UNDP Country Office will recover the costs for providing Implementation Support Services on the basis of actual costs and transaction fee based on the Universal Price List.

The procurement of goods and services and the recruitment of project personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. If the requirements for support services by the country office change during the life of a project, the list UNDP country office support services is revised with the mutual agreement of the UNDP resident representative and MFERIT.

The relevant provisions of the Standard Basic Assistance Agreement (SBAA) between the Government of Uzbekistan and the UNDP, signed by Parties on 10th June 1993, including the provisions on liability and privileges and immunities, shall apply to the provision of such support services.

MFERIT shall retain overall responsibility for this nationally managed project and will appoint the National Project Coordinator (NPC). Direct responsibility of the NPC will be provision of strategic advice, as well as coordination of the project activity taking into account interests of the Government (for more details please see roles and responsibilities of the Project Board's Executive). S/he will approve the annual work plans which will provide the basis for the implementation of the activities of the Project.

Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this document shall be handled pursuant to the relevant provisions of the SBAA.

**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/MFERIT approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance with 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. 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.

**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 is also responsible for operational closure of 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. In order to ensure timely and successful implementation of the project activities and to support the project team **Administrative Finance Assistant** will be hired.

**Research Coordinator** will assist PM in overall implementation process, coordinate the process of elaboration of research and analytical papers and serve as a resource person for the project and the project's key stakeholders and beneficiaries.

**Project Economist** will be responsible for implementation of analytical work on investment promotion and foreign trade regulation and elaboration of various analytical products for the Project.

**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 on Economic Governance will hold the Project Assurance role.

*Detailed Terms of Reference are presented in Annex B.*

## V. MONITORING FRAMEWORK AND EVALUATION

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

### Within the annual cycle

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see Annex A), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, biannual Progress Report shall be submitted by the Project Manager to the Project Board through Project Assurance (using the standard report format available in the Executive Snapshot, if acceptable).
- Project's Lessons-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
- Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

### Annually

- **Annual Review Report.** An Annual Review Report shall be prepared by the Project Manager and shared with the Project Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
- **Annual Project Review.** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.

### Quality Management for Project Activity Results

<b>Output 1:</b> Strengthened capacity of the Government of Uzbekistan and regional authorities to diversify exports, to stimulate exports by SMEs and to facilitate flow of investments into regions and manufacturing sector.		
<b>Activity Result 1</b>	Strengthened capacity of the government and regional authorities in foreign trade facilitation and export promotion	<b>Start Date:</b> May 2010 <b>End Date:</b> December 2012
<b>Purpose</b>	Capacities of MFEIRT and its regional branches to facilitate exports of local companies, to provide timely and relevant marketing information and services strengthened to find new markets for local companies, to increase their sales thereby creating more jobs and income opportunities for people in the regions, especially in rural areas	
<b>Description</b>	The project will work to establish effective dialogue with private sector, especially potential exporters to identify issues and problems, generate proposals to be submitted to the government. The project will support regional branches of MFERIT in establishing effective system of collecting, analyzing and disseminating of timely and relevant marketing information for local services.	
<b>Quality Criteria</b>	<b>Quality Method</b>	<b>Date of Assessment</b>
* Regularly organized consultative meetings with partners on foreign trade facilitation and investment promotion.	* Minutes of meeting, reports and list of participants * Participant opinion/evaluation/perception	* On quarterly and annual basis. * Within 30 days after the

<p>* Participants of trainings and seminars are satisfied with the workshop program and trainer's qualifications.</p> <p>* Information and analytical publications produced and disseminated.</p> <p>* Number of public-private dialogue events conducted on export promotion issues.</p> <p>* Number of businesses supported to market and export their products to foreign markets (value-chain integrated)</p> <p>* Number of on-line export promotion tools launched.</p>	<p>surveys</p> <p>* Produced and published reports, analytical papers and policy notes/briefs</p> <p>* Comments and opinion of government officials on quality of analytical documents</p> <p>* Follow up reports or launched initiatives</p> <p>* Mission reports and comments provided by national consultants</p> <p>* Marketing researches prepared</p> <p>* Catalogue of export commodities and producers launched</p>	<p>event completion.</p>
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<b>Activity Result 2</b>	Strengthened institutional capacity of MFERIT, IPA "Uzinfoinvest" and other institutions in investment facilitation, advocacy and investor servicing	<b>Start Date:</b> May 2010 <b>End Date:</b> December 2012
<b>Purpose</b>	Effectively improve the capacity of investment promotion institutions to create investment offer, to inform potential investors, to create and maintain positive investment image of the country and based on the needs of investors engage in public awareness and advocacy of FDI in Uzbekistan.	
<b>Description</b>	Supporting the MFERIT, IPA "Uzinfoinvest", CCI and others through publication of relevant statistical and informational resources, providing training to the staff of interested parties, establishing effective communication with the world investment community. Fostering dialogue between investment community and investment promotion institutions, including MFERIT through conducting surveys, round-table discussions and investment promotion events both in Uzbekistan and abroad.	
<b>Quality Criteria</b>	<b>Quality Method</b>	<b>Date of Assessment</b>
<p>* Number of investment promotion publications and on-line tools developed and disseminated.</p> <p>* Number of public servants introduced international best practices foreign trade and investment promotion.</p> <p>* Number of public-private dialogue events conducted on investment promotion.</p> <p>* Number of linkages/projects facilitated involving foreign investments.</p>	<p>* Feedbacks received on investment publications</p> <p>* Participant opinion/evaluation/perception surveys</p> <p>* Publications, on-line databases, investment promotion events in the country and abroad</p> <p>* Follow up reports or launched initiatives</p> <p>* Mass-media coverage reports</p>	<p>* On quarterly and annual basis.</p> <p>* Within 30 days after the event completion.</p>

## VI. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the SBAA between the Government of Uzbekistan and UNDP, signed on June 10, 1993.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP's property in the executing agency's custody, rests with the executing agency.

The executing agency shall:

- 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;
- assume all risks and liabilities related to the executing agency's security, and the full implementation of the security plan.

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 this agreement.

The executing agency agrees to undertake all reasonable efforts to ensure that none of the 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/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

VII. ANNEXES

Annex A: OFFLINE RISK LOG

Project Title (short): Support to foreign trade and investment promotion in Uzbekistan		Award ID: 00059808		Date: May, 2010					
#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Management response	Owner	Submitted, updated by	Last Update	Status
1	Increased export revenues from key commodities may reduce Government's desire to vigorously facilitate other exports	May 2010	Strategic	May hinder or delay the implementation part of the project activities P = 4 I = 2	The project will concentrate on addressing specific issues in this field rather than giving general advice or proposing radical changes in trade regime	Project team	Program associate		Decreasing
2	Economic security concerns may induce the government to put more restrictions on foreign trade and investment flows	May 2010	Strategic	May hinder or delay the implementation part of the project activities P = 2 I = 3	Continuation of consultations and strengthening of dialogue through meetings with government officials and preparing memorandums/reports.	Project team	Program associate		No change

## Annex B: TERMS OF REFERENCE

### 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

The Executive/National Project Coordinator 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 organisation structure and logical set of plans



- Approves project revisions (when applicable) and Combined Delivery Reports for each year.
- 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
- Organise and chair Project Board meetings

### **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. The 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

## **Project manager**

The PM 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'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. Specific responsibilities would include:

### **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 or its appointed Project Assurance roles 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;
- Determine partnership strategy concerning experience sharing and co-financing opportunities resulting in resource mobilization for the Project;
- Coordinate the process of raising public awareness on Project and related activities through mass media.

### **2. Running a project**

- Plan the activities of the project and monitor progress against the initial quality criteria.
- Mobilize goods and services to initiative activities, including drafting TORs and work specifications;
- 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 direct payments;
- 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 Brief appraised by the PAC, 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;
- Prepare the Annual review Report, and submit the report to the Project Board and the Outcome Board;
- Based on the review, prepare the AWP for the following year, as well as Quarterly Plans if required.
- Ensure proper planning, monitoring and reporting mechanism in ATLAS.

### **3. Closing a Project**

- Prepare Final Project Review Reports to be submitted to the Project Board and the Outcome 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;
- Ensure submission of the final CDRs for signature by UNDP and the Implementing Partner to the Finance Unit.

## Research Coordinator

Under the direct supervision of the Project Manager, Research Coordinator will fulfil the following duties and responsibilities:

- Participate in elaboration and supervising execution of the Project's Annual Plan of Activities, work plan, analyze emerging problems and propose adequate measures to ensure timely fulfillment of envisioned tasks;
- Ensures that project contributes to the promotion of gender equality by reaching, involving and benefiting both women and men in its activities (gender mainstreaming);
- Coordinate the process of elaboration of research and analytical papers within the Project;
- Serve as a resource person on economic policy issues for the project and the project's key stakeholders and beneficiaries;
- Serve as a resource person on foreign economic policy issues and current economic trends for the project and the project's key stakeholders and beneficiaries;
- Monitor economic development trends, identify emerging issues of concern for the investment and business climate in Uzbekistan to assess their impact on investment image of the country;
- Establish and develop close cooperation with the relevant Government bodies, private sector and other development partners on investment and business environment, economic policy and socio-economic development issues;
- Coordinate the work in planning and development of analytical papers, policy advice on foreign investment attraction and foreign trade regulation by the relevant consultants and Project team;
- Facilitate knowledge and best practice sharing between the project, UNDP CO, partner projects, government, private sector and other development partners, participate in relevant networks and meetings of practitioners;
- Coordinate the work of full-time and part-time national consultants;
- Coordinate the process of raising public awareness and PR about the Project and related activities, including organizing trainings/seminars/workshops with participation of representatives from the Government, private sector, NGOs, mass media;
- Participate in fundraising activities including search for grants and other sources of funding for joint projects and/or sub projects.

## Project Economist

The Economist will be responsible for implementation of analytical work on investment promotion and foreign trade regulation and elaboration of various analytical products for the Project and Economic Governance Unit. The incumbent will perform the following duties and responsibilities:

- Serve as a resource person on foreign economic policy issues and current economic trends for the project and the project's key stakeholders and beneficiaries;
- Monitor economic development trends, identify emerging issues of concern for the investment and business climate in Uzbekistan to assess their impact on investment image of the country;
- Participate in planning and development of analytical, policy advice, business guides and other related deliverables within the project;
- Facilitate knowledge and best practice sharing between project, EGU, partner projects, government, private sector and other development partners, participate in relevant networks and meetings of practitioners;
- Organize and oversee elaboration and promotion of the national, regional or sector-specific development strategies;
- Elaborate and provide analytical input to national, sectoral and regional Investment guides;
- Submit regularly reports and make other contributions during meetings on designing, implementation and monitoring of the Project activities;
- Organize and facilitate the work in elaboration and implementation of national, regional and sector-specific foreign trade and investment promotion strategies;
- Elaborate and provide analytical input to project publications;
- Actively participate in elaboration and coordination of EGU projects related to capacity building of the relevant institutions engaged in formulation and implementation of economic analysis and forecasting, and foreign trade facilitation;
- Participate in assessment of the Project output in the area of foreign trade and development and individual Project activities using various methods and tools of assessment and monitoring;
- Provide Project team with qualified consultations and guidance.
- Perform other duties and responsibilities as required.

## **Administrative/Finance Assistant**

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.

## 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 PM; therefore the Project Board cannot delegate any of its assurance responsibilities to the PM. A UNDP Programme Officer on Economic Governance will hold 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.