

Minutes of the “Business Forum of Uzbekistan” (Phase II) Project Board Meeting

Date: 26 July 2011

Venue: UNDP Country Office premises

Time: 15:00 – 17:00

Basic Project Information:

Project number and title: ID 00076785 – “Business Forum of Uzbekistan-Phase II” Project

Implementing partner: Chamber of Commerce and Industry of Uzbekistan (CCI)

Project duration: January 2011 - December 2013

Total budget - USD 841,911

Participants of the meeting

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| 1. Jaco Cilliers | UNDP Deputy Resident Representative |
| 2. Stefan Liller | UNDP Assistant Resident Representative |
| 3. Alisher Shaykhov | Chairman of the Chamber of Commerce and Industry, National Project Coordinator |
| 4. Farrukh Karabayev | Director of Antimonopoly Policy Improvement Center under the State Antimonopoly Committee |
| 5. Jamshid Khamraev | Deputy Director of Antimonopoly Policy Improvement Center under the State Antimonopoly Committee |
| 6. Khoniya Asilbekova | Senior specialist of the State Committee on Nature Protection |
| 7. Latifjon Umurzakov | Head of the Group on improvement of legislation under “Uzkommunkhizmat” Agency |
| 8. Sherdil Yadgarov | Chief Engineer of Khokimiyat of Yangiyul District |
| 9. Otabek Azimov | Head of Department of the Central Bank of Uzbekistan |
| 10. Oydin Sattorov | GIZ Project Coordinator |
| 11. Arif Nasibov | IFC Program Coordinator |
| 12. Ziyodullo Parpiev | UNDP Economic Adviser |
| 13. Kamolkhon Inomkhodjayev | Programme Associate of UNDP EGU |
| 14. Narzullo Oblomurodov | “Business Forum of Uzbekistan” Project Manager |
| 15. Khusan Shukurov | “Business Forum of Uzbekistan” Task Manager |

Agenda of the meeting

1. Welcoming speech;
2. Presentation “Business Forum of Uzbekistan” (Phase II) project: highlights of key activities in 2011” (Mr. Narzullo Oblomurodov);
3. Presentation “Public-Private Partnerships: results achieved and future plans” (Mr. Khusan Shukurov);
4. Discussions;
5. Closing remarks.

1. Welcoming speech

Mr. Jaco Cilliers welcomed all participants to the Project board meeting of the Business Forum of Uzbekistan Project. He noted that this year the project has important activities in terms of capacity building and contribution to public-private partnership development, including establishment of the 1st pilot Business Facilitation Center in Gulistan city, development of a pilot PPP solid waste

management project in Yangiyul District, and support CCI in setting up the analytical unit for legal analysis and monitoring.

He emphasized that cooperation with other donors, organizations, state bodies and private sector is very important to ensure sustainability of project initiatives. Business Forum project cultivated close cooperation with relevant IFC, GIZ, TIKa and other important partners and expressed hope that it will be further strengthened and expanded.

Mr. Alisher Shaykhov remarked the role of international donors in promoting private business and entrepreneurship in Uzbekistan. He emphasized importance of the project for both UNDP and the Government of Uzbekistan. The project was included into Government's Program on the "Year of small business and private entrepreneurship" adopted by the Resolution of the President of Uzbekistan.

Promotion of public-private partnerships, improvement of the legislation in the field of entrepreneurship, development of business development services to entrepreneurs, facilitation of inclusive models are considered as main activities within the second phase of the project. He noted that cooperation with other international organizations should be further developed.

2. Presentations

Mr. Narzullo Oblomurodov in his presentation informed participants that in order to support CCI to establish the analytical unit for legal analysis and monitoring in the field of entrepreneurship action plan was developed and coordinated with CCI, internal documents (concept and staff job descriptions) were elaborated, and staff selection was facilitated. The project will be working on elaboration of methodology of analysis and monitoring of legislation, and will conduct related round table and trainings for the CCI staff and state agencies. In this regard, he asked the Board to approve purchase of IT and related equipment to the Analytical unit and also the Monitoring center which will be working closely together.

In terms of improving business support services to entrepreneurs in the regions *Mr. Oblomurodov* mentioned that the project is in the process of launching the BFC in Gulistan and plans to hold an official opening in August 2011. Finally, on Growing Inclusive Markets component the project prepared necessary documents to create milk collection center in Yukorichirchik district of Tashkent region and also for the first time in Central Asia Fairtrade certification of farmers producing dried sweet cherry in Samarkand region was facilitated. The project is preparing for the second National Steering Committee meeting.

Mr. Khusan Shukurov in his presentation briefed the Board that the analytical report «Road construction: current situation and perspectives of widening of participation of private sector» was being finalized and the work on proposals to the law "On wastes" and draft law "On social partnership" were being prepared. He also mentioned that the project is in the process of starting feasibility study on waste management PPP and will review legislation in this sphere. There were also learning events organized with the Parliament, IFC and UNECE.

3. Discussions

Participants noted that they already established close collaboration with the Business Forum project and actively working with the CCI (*Mr. Farrukh Karabayev, Ms. Khoniya Asilbekova, Mr. Latifjon Umurzakov*). In terms of PPP promotion there is a need to develop a national program and build up public awareness campaign especially in pilot projects like waste management (*Mr. Farrukh Karabayev, Ms. Khoniya Asilbekova, Mr. Narzullo Oblomurodov*). *Mr. Farrukh Karabayev* noted that the State Antimonopoly committee in cooperation with ADB is already developing the national program invited all stakeholders to take part in this process. *Mr. Shaykhov* supported the idea and asked the project to work closely with the committee in this area.

Mr. Sherdil Yadgarov emphasized importance and timeliness of the project, expressed readiness to

provide any assistance for effective implementation of the pilot project.

Mr. Otabek Azimov supported establishment of business facilitation centers in the regions of Uzbekistan and noted that there is high demand for services related to designing business plans and elaborating project documentation. BFC could act as an institution that will increase knowledge and skills of entrepreneurs and help to develop business development strategies/plans. In addition to that *Mr. Farrukh Karabayev* proposed that BFCs could conduct trainings for entrepreneurs on business management issues in cooperation with Antimonopoly Policy Improvement Center which has recently launched new initiative with PriceWaterHouseCoopers on conducting a series of trainings on business management for large enterprises and SMEs.

Mr. Alisher Shaykhov accepted proposals related to BFCs and noted the importance of cooperation with the Central Bank, Antimonopoly Committee and commercial banks in provision of services through BFCs. He also suggested that the Central Bank could consider possibility of integrating payment system of People`s Bank of Uzbekistan to BFCs.

4. Closing remarks

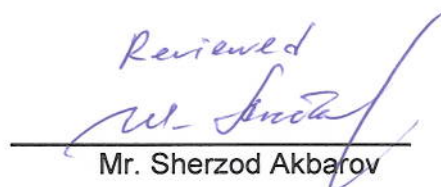
Mr. Jaco Cilliers and *Mr. Alisher Shaykhov* thanked participants for their active participation and support in implementation of the project activities. Summarizing discussions, the project performance in the first 6 months of 2011 could be evaluated positive and the plans for the remaining of the year will be supported.

5. Decisions taken

- 1) Performance of the UNDP BFU (Phase II) project for the first half of 2011 is evaluated as positive and the plans for the remaining of this year are approved;
- 2) Implementation of the action plan on preparations for pilot PPP project in Yangiyul district approved by the Chamber of Commerce and Industry of Uzbekistan and Yangiyul khokimiyat of Tashkent Oblast in cooperation with the State Nature Protection Committee of Uzbekistan and Uzbek agency for communal services will be closely monitored;
- 3) Preparatory works to be finalized to ensure official opening of the Business Facilitation Center (One-Stop-Shop) in Gulistan (Syrdarya Region) in August 2011;
- 4) Agreed that IT and office equipment for the analytical unit for legal analysis and monitoring in the field of entrepreneurship and Monitoring center will be procured by BFU (Phase II) project and transferred to the ownership of the Chamber of Commerce and Industry of Uzbekistan, while CCI will provide office space, furniture, telephone and internet access for the group;
- 5) Informed that TRAC funds in the amount of USD 19,000 and CCI funds in the amount of USD 27,000 are re-phased to budget of the year 2012.

Prepared by:


Mr. Narzullo Oblomurodov

Reviewed

Mr. Sherzod Akbarov

Signed by:


Mr. Alisher Shaykhov


Mr. Jaco Cilliers

