

MINUTES

LPAC meeting to discuss the “Capacity building for economic analysis and forecasting at national and local levels” project

Date: 14 April 2008,

Venue: Institute of Forecasting and Macroeconomic Research (IFMR)

Participants: *(as per the attached List of participants)*

Ms. Nirody - welcomed the participants of the LPAC meeting and stressed the importance of the joint initiative between UNDP and the Institute of Forecasting and Macroeconomic Research (IFMR), which targets capacity building for medium term policy research and formulation and the assessment of crisis implications on the wellbeing of population. She noted that while Uzbekistan is not as severely affected as some other countries with regards to the financial crisis, nevertheless the project is very timely since this precisely a period where solid impact assessments are necessary. She highlighted the importance of moving ahead with the MoU between GTZ, the World Bank and UNDP with the Institute of Macro-economic forecasting so as to foster better coordination.

Ms. Saidova - (Chair of the meeting) welcomed all the participants of the meeting and thanked UNDP for responding to the Government's request in supporting the IFMR with capacity building and engaging itself in the development of the Project document. She pointed out the importance of this project for the Government in the policy analysis and formulation process. Ms. Saidova then passed the floor to Mr. Rustamov to make the presentation of the project document.

Mr. Rustamov - referred to Ms Nirody's point regarding the earlier circulation of the project document among the participants of the meeting and thus made brief presentation of the project document, pointing out its principal objective, duration, components, budget breakdown, management arrangements and partnership strategy (a copy of the presentation is attached).

Ms. Saidova - thanked the presenter and announced the floor open for discussions.

Ms. Isamitdinova (World Bank) - congratulated the Government and UNDP on the development of such an important initiative and asked how the Government sees the role of the World Bank under the proposed project, as well as in supporting the IFMR.

Ms. Saidova - Ms. Saidova emphasized the World Bank's expertise in macroeconomic analysis and forecasting and welcomed the participation of the Bank's consultants in developing macroeconomic forecasting methodologies and conducting training activities for the Institute's research personnel.

Mr. Hofmann (GTZ) – welcomed this initiative and the work done by UNDP and pointed out the importance of coordination among donors and the IFMR to avoid overlapping and deliver effective results. He stated that the GTZ is currently finalizing the recruitment of a long-term consultant to support the IFMR in developing economic forecasting methodologies. He proposed the importance of conduct a needs assessment among young researchers and promote knowledge sharing, including with international think-tanks.

Mr. Hofmann also stressed the need for an independent Institute involved in economic research and forecasting, which is able make public statements on economic outlook of the country and provide forecasts on future trends and facilitate wide public discussions on economic issues. He mentioned that in this regard the third component of the proposed project is very important and timely.

Mr. Hofmann also mentioned the importance of economic research and analysis in policy making, pointing out that even though the policy makers seem to know the overall picture of economic performances it is still very important to root the policy decisions on empirical evidence.

Finally, Mr. Hofmann stated that GTZ is ready to make additional commitments to support the Institute in implementation of the proposed project and emphasized the appropriateness of the

timing to launch this project. At the end he thanked the UNDP team for the work done in developing the project document.

Ms. Saidova - thanked GTZ for their support and provided the assurance that (under the analytical activities of the proposed project) active involvement of young specialists will be ensured. She also mentioned that the project envisages the facilitation of wide public discussions on pressing economic challenges and outlined that the organization of annual forum of economists, as stipulated in the project document, plays crucial role in this endeavor.

Ms. Saidova also proposed that GTZ assist specifically in the organization of twinning exercises and the exchange of researchers with advanced economic research institutions in Germany. She pointed out that during the development of the proposed project with UNDP the involvement of international consultants was not envisaged since it was expected that GTZ and the World Bank would provide international consultants for the project's training and research activities.

Mr. Taniguchi (ADB)- congratulated the UNDP team on the development of a good project document and pointed out the importance of coordination under the proposed project. He informed the participants that the ADB's Asian outreach is an advantage since it can enable the involvement of expertise from the Asian countries both for developing macroeconomic forecasting methodologies and training activities. Mr. Taniguchi then informed the IFMR that the ADB is ready to provide its support to the Institute to the most possible extent.

Ms. Saidova - thanked the ADB for its support and stated that the ADB could assist the Institute's research activities in the spheres not covered under the proposed project with UNDP, including forecasting of the development of agricultural sector, and the analysis of health and education sector development and their contribution to economic growth.

Moreover, Ms. Saidova noted the ADB's role in facilitation of knowledge sharing and application of successful experiences in Asian countries. She also proposed to ADB to assist in organizing twinning exercises between the Institute's research staff and the respective economic research institutions in Asian countries.

Ms. Saidova - thanked all the participants for their active participation and constructive comments and suggestions during the PAC meeting. She expressed gratitude for UNDP Ms. Nirody personally for active cooperation with the Government and assistance being provided in many areas of development, particularly for an making important commitment to enhance the Institute's capacity, which she said is very timely and needed assistance.

Ms. Saidova stressed that the close affiliation of the IFMR to the Ministry of Economy plays very crucial role in establishing effective link between the economic policy research and analysis and policy formulation and implementation, which she described very important in quick reflection of research and analysis results in the Governments policy agenda.

Prepared by: Hurshid Rustamov (EGU Programme Coordinator)

Approved by:  Anita Nirody, UNDP Resident Representative

Approved by:  Galina Saidova, Director of the Institute of Forecasting and Macroeconomic research

List of participants
**In the LPAC meeting of the “Capacity building for economic forecasting and
planning at national and local levels” project**

1.	Ms. Galina Saidova	-	First deputy Minister of economy, Director of the Institute of forecasting and Macroeconomic Research
Institute of forecasting and macroeconomic research			
2.	Mr. Avaz Sodikov	-	Deputy Director of the Institute of forecasting and macroeconomic research (IFMR)
3.	Mr. Sergey Chepel	-	Head of the project, IFMR
4.	Mr. Fozil Dodiyeu	-	Head of the project, IFMR
5.	Mr. Farhod Jurahanov	-	Head of International relations department, IFMR
6.	Mr. Saidahmedov	-	Head of the project, IFMR
Ministry of finance			
7.	Ms. Dilshod Holmurodov	-	Head of Division
Central Bank			
8.	Mr. Ahad Haydarov	-	Head of Department
International organizations			
9.	Ms. Dinara Isamitdinova	-	World Bank, Country officer
10.	Mr. Kiyoshi Taniguchi	-	Asian Development Bank, Country economist
11.	Mr. Armin Hofmann	-	GTZ, Country director
12.	Mr. Shameer Khanal	-	GTZ, consultant
UNDP			
13.	Ms. Anita Nirody	-	Resident Representative
14.	Ms. Kyoko Postill	-	Deputy Resident Representative
15.	Ms. Shirin Dosumova	-	Head of Economic Governance Unit
16.	Mr. Hurshid Rustamov	-	Programme Coordinator, Economic Governance Unit
17.	Ms. Viktoriya Anoshkina	-	Research coordinator, “Public Finance reform in Uzbekistan” project