

**Minutes**  
**for Meeting of Enhancement of Living Standards**  
**Project (ELS) Steering Committee**

**Date:** 22<sup>nd</sup> July 2011  
**Venue:** Conference room "Kizilkum Gold"  
Business-center "Poytaht"  
**Time:** 10:30

**Participants:**

1. *Ms. Yulduz Abduganieva*, Head of Unit / Ministry of Economy of Uzbekistan
2. *Mr. Jaco Cilliers*, UNDP Deputy Resident Representative
3. *Mr. Shukhart Shukurov*, Deputy Hokim / Namangan Region
4. *Mr. Bahrom Niyozmatov*, Head of Main Economy Department of Andijan Region
5. *Mr. Otabek Alimatov*, Consultant of the NCU under the Cabinet of Ministers
6. *Mr. Abdulaziz Abdukamilov*, Head of Department of the Ministry of Foreign Affairs
7. *Ms. Karina Astanova*, TACIS Monitoring Expert
8. *Mr. Emilio Valli*, ELS Project Coordinator
9. *Ms. Elvira Izamova*, UNDP / EGU Programme Associate
10. *Mr. Kodir Bobojonov*, ELS Technical Adviser
11. *Mr. Dilshod Rasulov*, ELS Project Manager
12. *Mr. Sardor Alimdjanov*, ELS Area Manager / Andijan Region
13. *Mr. Shuhrat Ahmedov*, ELS Area Manager / Fergana Region
14. *Ms. Muattara Rakhimova*, Academy of State and Social Construction

**Agenda:**

1. *Reviewing the progress of ELS project and agreeing a workplan for the extension period*
2. *Presentation and discussion of options for long-term sustainability of Mahalla Information Resource Centres*
3. *Launching a performance assessment of partner micro-credit organizations to support the decision-making on transfer of project grant funds.*
4. *Miscellaneous*

Ms. Yulduz Abduganieva, Head of Unit at the Ministry of Economy welcomed the participants of the meeting on behalf of the Deputy Minister of Economy, Mr. Shoabdurahmanov. In her opening speech, Ms. Abduganieva emphasized that the "Enhancement of Living Standards" Programme is a good example of cooperation among the European Union, UNDP and the Government of the Republic of Uzbekistan. Positive appraisals by monitoring missions, as well as feedbacks from partners and beneficiaries of the ELS Programme, once again point to its success.

Ms. Abduganieva reported that ELS Project, implemented within the framework of Action Plan for 2006, was started in December 2008 and was extended until the end of July 2011. By the initiative of the Republic of Uzbekistan, in particular the Ministry of Economy and Hokimiyats, it was suggested to extend the duration of the project until December 31, 2011. The relevant documents have been signed by the EC and the Uzbek side, and therefore taking this opportunity, she expressed gratitude on behalf of the Ministry of Economy to the European Commission for their promptitude and positive solution of the issue. The primary purpose of the project extension is successful completion of ongoing activities, final monitoring and preparing the required reports.

Further, Ms. Abduganieva welcomed Mr. Jaco Cilliers, UNDP Deputy Resident Representative in Uzbekistan, and Mr. Emilio Valli, ELS Programme Coordinator, who have recently proceeded to their official duties, and also she expressed her hope for further prolific cooperation.

Following the suggestions of participants, Ms. Abduganieva was appointed as the chairman of the ELS Steering Committee meeting.

Mr. Cilliers welcomed the meeting participants and thanked on behalf of UNDP the Ministry of Economy, Hokimiyats and the EU Commission for their contribution to the project implementation process. Using the moment, Mr. Cilliers apologized for the absence of Ms. Anita Nirody, and emphasized that the project has a very strong management system. He noted that the fact of project's success, as well as the importance of the project's partnership relations were more than once noted during the visits of UNDP senior officials and at the meetings with the Government of the Republic of Uzbekistan. Thus, "Enhancement of Living Standards" and "Area Based Development" projects are good examples of providing targeted assistance in regions, the results of which can be proudly presented even in other countries.

Mr. Emilio Valli thanked for the support of the EU and the Government and presented the detailed review of the results achieved by the project; he also introduced the main activities planned for the next period of the project up to the end of 2011:

- Dissemination of practices through establishing an operational database of ELS (including previous phases) and ABD projects;
- Concluding the projects in mahallas;
- Establishment and ensuring the sustainability of Resource centers
- Concluding the support for business projects.

At the end of presentation, the following issues were offered for further discussion:

1. Long-term financial sustainability of the ELS Programme
2. Establishment of Resource Centers
3. Assessment of partner microcredit organizations
4. Transfer of ownership of completed infrastructure projects

Ms. Abduganieva thanked the speaker for the presentation and gave the floor to Mr. Alimdjano, ELS project manager in Andijan region, for making a presentation of options developed to ensure a long-

term sustainability of Mahalla Information Resource Centers in Fergana Valley. During this presentation several tasks and responsibilities of UNDP, ASSC and Hokimiyats were proposed to ensure sustainability of the methodical centers.

Mr. Bobojonov, technical advisor of ELS, clarified that initially it was planned to establish Resource centers under the "Mahalla" Fund and in previous phases the centers had been set up under district branches of Mahalla Fund in every district where the ELS project has worked. In addition, there are also business centers that provide assistance to farmers and entrepreneurs on business development and entrepreneurship in regions, created in cooperation with the Chamber of Commerce and Association of Farmers. Due to limited financial capacity of the "Mahalla" fund, which will not be able to provide further sustainability of newly established centers, the ELS project proposes to use a part of the equipment purchased for the Resource Centre at the "Mahalla" Fund in establishment and technical support of the centers under regional Hokimiyats.

Ms. Rakhimova noted that the methodology can be used more widely if the Resource Centers operate under Hokimiyats. In its turn, ASSC will provide the necessary support in matters of methodology and conducting trainings for trainers.

Mr. Bobojonov mentioned that the establishment of Resource Centers under Hokimiyats also implies the consolidation of objectives and results set out in the 1<sup>st</sup> & 2<sup>nd</sup> components, particularly, holding appropriate trainings for managers and employees of mahalla assemblies and "Mahalla" fund. The agreement on creation of the centers has been reached with relevant Hokimiyats, and will be sent for approval to the EC following a more detailed study of establishment and transfer of the newly established centers under the management of Hokimiyats.

Mr. Shukurov told that the establishment of Resource Centers in Hokimiyats will be more efficient, because:

- with the help of Hokimiyat it will be easier to attract more listeners and representatives of local authorities;
- it is proposed to add a third component of the project to the activities of resource centers (1 and 2 components) by conducting business consultancy trainings;
- it is proposed to establish Mahalla Resource Centers at universities in the regions, where the necessary infrastructure (as well as dormitory) and the academic staff are available;
- there is also a possibility of establishing the centers in form of NGOs or unitary enterprises, with a minimal payments for participation in trainings (for 3rd component);
- multiplicative effect of training participants;

Mr. Rasulov noted that the operation of Centers under Hokimiyats will allow performing the activities on capacity enhancement of local authorities in a more coordinated way, tailored to local needs, and therefore more effective.

Agreeing with Mr. Rasulov, Mr. Shukurov stressed that the results of the project in terms of price, are very high, and he sincerely hopes that the experience of this project will trigger the beginning of new, similar EU projects, where among other things the use of alternative energy in schools will also be taken into account.

Mr. Cilliers pointed out the need to assess the microcredit organizations, which is a very important aspect for both UNDP and EC. With regard to extending the project for 6 months, Mr. Cilliers hopes that the project team will review all the current issues and solve them, reaching sustainability in all aspects.

Conclusions:

Ms. Abduganieva thanked the meeting participants for their comments and suggestions, and summed up the outcomes of the meeting:

**1. Development and approval of Work plan for the extended period**

UNDP will develop a work plan that will be submitted to the national coordinator for the review.

**2. Establishment of Resource Centers**

Action Plan for establishment of Resource centers will be designed taking into account the recommendations and, following the work outs with the Government and UNDP, will be directed for approval of EU Commission.

**3. Assessment of partnering microcredit organizations**

The assessment of microcredit organizations will be conducted in accordance with the agreement on cooperation.

**4. Transfer of ownership of completed infrastructure projects**

The ownership of equipment and services within completed projects will be transferred in accordance with UNDP rules and regulations to relevant communal service organizations in agreement with the mahallas and local authorities.

Ms. Abduganieva thanked all participants and closed the meeting.

**Chairman of the meeting:**

*Ms. Yulduz Abduganieva*

Head of Unit, Ministry of Economy



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**Members of the Steering Committee:**

*Mr. Jaco Cilliers*

UNDP Deputy Resident Representative in Uzbekistan



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*Mr. Shukhart Shukurov*

Deputy Hokim of Namangan Region, Regional ELS Project Coordinator



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*Mr. Bahrom Niyozmatov*

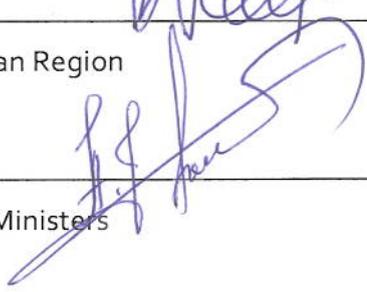
Head of Main Economy Department of Andijan Region



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*Mr. Otabek Alimatov*

Consultant of the NCU under the Cabinet of Ministers



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