

Final Project Review Report

Project title: Improved Public Service Delivery and Enhanced Governance in Rural Uzbekistan

Project ID: 00119367

Award ID: 00115862

Implementing partner: Ministry of Justice of the Republic of Uzbekistan

Period covered in this report: 10 May 2019 – 9 September 2024

Date of the last Annual Report: 06 February 2024

Date of the last Project Board meeting: 12 July 2024

Project Performance

1. Please state the expected Output of the Project, set indicators and corresponding CPD Outcome (as per the project document/AWP):

UNDAF 2016-2020 (United Nations Development Assistance Framework for the Republic of Uzbekistan)

Outcome 7. By 2020, the quality of public administration is improved for equitable access to quality public services for all.

Output 5. Enhanced governance/efficient, convenient, more responsive citizen-oriented public services delivery through the advancement of e-government.

UNDP SP 2018-2021. OUTCOME 2: Accelerate structural transformations for sustainable development

OUTPUT 2.2.1 Use of digital technologies and big data enabled for improved public services and other government functions

Indicative Output(s) with gender marker: GEN 1

a) Was the target met? Yes ☒ No ☐ Partially ☐

b) If no (or partially), please explain why?

2. Implementation

a) Please, summarize the main achievements during the reporting period of project implementation:

As part of wider efforts to address challenges in effective and streamlined public service delivery, the Project has developed analytical materials and proposals on improving national legislation on e-government, electronic digital signatures, public oversight, administrative procedures, appeals by individuals and legal entities, as well as other legal acts regulating the powers of state bodies providing public services to individuals and legal entities and have presented them to national partners. The proposals were used in preparation of several Government and interagency decisions aimed at improvement of legislation on public service delivery with focus on expanded coverage of population with on-line services through the unified portal of public services my.gov.uz.

Probably the most important normative document adopted in the sphere of public services delivery reform was the National Strategy for the Modernization and Accelerated Development of the Public Service Delivery System for 2022-2026, which was approved by the Decree of the President of Uzbekistan. The document was prepared as a result of extensive efforts undertaken by the Project in 2020-2021. The main idea behind adopting the Strategy was to facilitate efforts to increase the scale of

providing public services to the population in a convenient and accessible form, preventing excessive bureaucracy, expanding the opportunities for the public to access public services remotely, and creating an inclusive environment with equal conditions for all.

During the reporting period, the project supported the Government of Uzbekistan in the transformation of the public service delivery system based on the “people-centric” principle, as well as in enhancing the transparency and accountability of local governance – especially in rural and remote areas – for more effectively addressing the environmental, social and economic concerns and priorities of the population living in rural areas.

The project team held regular consultations with key government institutions. A detailed annual implementation plan was developed with activities to strengthen the capacity of the Ministry of Justice, its extensive network of Public Service Centres, and other government agencies involved in public service delivery. All activities planned in the annual work plans since 2019 were duly initiated and most of them were accomplished by end of the Project circle.

As agreed by the Project Board, the main efforts of the Project were aimed at supporting the Government in digital transformation of public services and increasing their accessibility and quality, especially in remote rural areas. Four main pillars remained a priority for implementation during the reporting period:

1. Development and integration of a new management system for the Ministry of Justice in accordance with international standards, and preparation of national standards for public services delivery.
2. Development of the capacity of the personnel of involved government agencies providing public services, with a focus on digitalization of public service delivery.
3. Digital transformation of selected public services based on functional reviews and business process re-engineering.
4. Introduction of new management systems in local governance, including KPIs and new reporting systems.

To support the Standardization of Public Service Delivery (Pillar I), the project completed the implementation of an integrated management system of the Ministry of Justice in compliance with international standards. In addition to the previous certification on ISO 9001 (Quality Management System), the Project supported the Ministry in successfully obtaining a certificate on ISO 27001:2013 (Information Security Management System). On September 30, 2022, the Ministry of Justice became the first among the state bodies to successfully pass the external audit. The central office, five pilot regional departments and five pilot district units, including Public Services Centres of the Ministry of Justice have been certified in compliance with the ISO/IEC 27001:2013.

To digitalize the public service delivery system the Project implemented the following interventions:

- Finalizing the creation of the Data Center for the Ministry of Justice by supplying and installing necessary engineering equipment, that will allow the migration of the server and networks equipment and the information systems are currently stored at different locations. The integrated centralised depository of the situation centre combines information from various sources and uses this to guide the management in decision-making. It helps streamline the remote monitoring, forecasting and analysis of provided services, while also assessing employees’ work and compliance with ethical rules.
- A specialised business intelligence (BI) software was provided for the improvement of the functionality of the Situation Center, established within the project. The Situation Centre is recognized as one of the most effective means of implementing a situational approach to strategic data management. Also, with the aim of monitoring and improving public services delivery experience the project supported the MoJ in introduction of a such new data analyses

tool as “Citybeats” technology, which is an augmented text analytics platform that helps private and public organisations understand what matters to people at scale, in real-time, guiding decision-makers to take the most timely and necessary actions.

- The project provided technical assistance and expertise in introducing the blockchain technology in public service delivery. Since the launch of the blockchain module in the Civil Registry’s single electronic archive, over 2 mln. civil records were processed by the system covering registration of birth, divorce, death, and marriage. All these data are secured through a blockchain network.
- To further simplify the licensing, issuing permit documents and notification procedures necessary for doing business through digitalization, including through the special electronic system "License", was developed by the Project.

To ensure long-term sustainability of interventions (Pillar II), a significant part of the project efforts was focused on enhancing the capacity of the staff involved in public service delivery of both in front and back offices. The project continued its support to the MoJ in capacity development of specialists of both the central office of the Ministry and PSCs. To sustain the interventions and create a long-term effect of capacity development activities, the project agreed with the Management of the MoJ to provide assistance in modernization of the Human Resources Management System with focus on systematisation and modernization of recruitment, motivation, KPI introduction, continuous learning, and other processes. To ensure a systems approach, an HRM Implementation Strategy was developed and presented to the Ministry of Justice (approved in August 2024).

Online courses were published in the developed E-learning system and several offline training programmes and activities were developed: (1) training program for HRM specialists from all 14 regional departments of the Ministry of Justice and trainers of Lawyer’s Training Centre, (2) 43 representatives of ministries and agencies were trained on how to conduct a functional analysis, (3) Summer School on Digital Transformation was organized, (4) Summer School on People Management for MOJ Heads of Departments and directors of Public Service Centers in pilot regions was organized, (5) Certified ToT for key specialists of the Ministry of Justice on Public Service Management was organized (Milan, Italy), (6) international training course and visit to public institutions in Latvia, (7) 7 representatives of national partners participated in study tour to France on local government, (8) 43 staff of local administrations from two pilot districts were trained on KPI methodology and improvement of KPI results in their districts, etc.

Another important engagement at the local level aimed at extending the capacity of makhalla committees located in remote areas through a practical master class for 152 women activists and youth leaders from selected makhalla committees in 7 pilot districts. The trained women and youth activists shared their knowledge on using the mobile application “my.gov.uz” with the population in their remote communities.

Based on the quality assessment of public service delivery carried out in 2021 (Pillar III), the project has conducted a functional analysis of the Civil Registry System of Uzbekistan with an aim to further streamline the civil registry services. The analyses covered the status of the Civil Registry activities in Uzbekistan, the experience of Estonia, Georgia, Finland, Netherlands, and Poland, including the procedures of implementation of four such important services as birth, death, marriage and divorce, and other services provided by the Civil Registry offices.

On an annual basis, the project conducted assessment of the public service delivery in all 7 pilot regions, introducing more detailed techniques, making comparative analyses with previous years and lessons learned for future assignments. The results of these studies helped identify the most challenging and problematic issues that the Ministry of Justice should focus on. To replicate this practice, the project developed and presented to the MoJ a methodology on public service delivery assessment jointly with experts from Latvia. The methodology contains step by step instructions, cases, and advanced approaches to conduct such assessments.

The project conducted BPR of 4 public services related to Civil Registry and services related to the issuance of Apostille. This, in turn, will have another impact, including elimination of paper passed document turnover, saving the time and money of applicants which in turn decreases greenhouse gas emissions, since people no longer need to travel to the capital to receive such a service, etc.

The project provided support to users from rural areas to improve their awareness and understanding of public services and their delivery methods, including those delivered online. The focus was on using gender sensitive messaging and raising awareness among the most vulnerable population groups including women, elderly, youth and people with disabilities. More than 500 posts and 80 articles were published on social media, national and local media, 13 videos and a cartoon were prepared, 9 infographics and 3 posters were developed and published. The project also supported replicating results achieved and highlighting the functioning of the PSCs by writing blog posts and distributing video interviews and short messages through national and international media. The project's Facebook page 'Tez, Oson va Qulay' and website (www.ipsd.uz) were transferred to the MoJ.

All pilot PSCs have been equipped with IT equipment (servers, PCs, network and telecommunications devices, video surveillance, and user feedback mechanisms), along with furniture and air-conditioning equipment designed to create comfortable conditions for visitors. The centre's possibilities also include Q-Matic queue management system, cash-desk, a playground for children, parking, Braille information desk, a bathroom with special handrails for people with disabilities, as well as ramp at the entrance, which makes the building accessible for a wheelchair-users and baby strollers, tactile paving tiles for the sight impaired. The PSC provides access to more than 250 public services; it can accommodate up to 300 people a day and serves the population of Nukus district of about 52,900 people.

Moreover, the project extended its interventions to further improve a user experience through upgrading PSC design layout. After assessing the volume of public services in most visited Public Service Centres, the project recommended to the MoJ the pilot application of zoning of service delivery processes within the PSC. As part of the "zoning initiative", new designs of the PSCs in Karshi city of Kashkadarya region, Olmozor and Shaikhontokhur districts of Tashkent city were developed and presented to the national partner for implementation.

The project supported the MoJ in designing these buildings in an inclusive and user-friendly format based on best international practices. Special attention was paid to meeting modern urban planning standards and creating the most comfortable conditions for all categories of citizens including people with disabilities. These new Centres are equipped with a system for real-time quality assessment of the services provided, as well as an electronic queue system which had been introduced with the support of the Joint project. The Centres have information kiosks, self-service areas, a children's playground and mini-library, a comfortable waiting area for citizens, and a modern air conditioning system. There are also information boards and posters to inform visitors of various opportunities for the uptake of public services. Most of these innovations and solutions are based on the experience gained as a result of their piloting in the target Public Services Centres with the IPSD project. To ensure the smooth provision of services the Project has developed a checklist of the must-have conditions at the PSCs and successfully tested it in pilot PSCs. Together with the Methodology for assessing the quality of the public services provided in PSCs the documents were presented to the MoJ.

The concept and design of the zoning was developed for four pilot public services, including Olmazor and Shaykhontoxur districts in Tashkent city, Karshi and Nukus cities. The activity was completed and replicated by the MoJ to other relevant PSCs in Uzbekistan throughout 2023.

Introduction of the provision of public services with on-site visits. Now, citizens can receive public services in a place that is convenient for them: at home and at workplace, etc. To do this, the user just needs to send an application for "on-site use of public services" online or call the hotline 1148. For elderly people who need special care, people with disabilities the visit of the operator is free of charge.

Women's Advisory Groups (WAGs) under 7 pilot PSCs assisted 33,082 rural residents, including 27,702 representatives of vulnerable population groups, in accessing public services at the PSCs, through field visits and online (through the website: my.gov.uz). These persons include 14600 women, 9347 youth, 2543 elderly people, and 1212 people with disabilities. These requests for personalized assistance have been of a legal nature (46% - 2126 applications), of a psychological nature (10% - 465 applications), on entrepreneurial matters (10% - 490 applications), and on social matters such as obtaining pensions or subsidy (34% - 1592 applications). More than 50 specialists of WAG, ministries and departments, and khokimiyats were trained with the involvement of the Latvian centre MARTA.

The project has also successfully piloted volunteering activities in the Public Service Centres to assist users in provision of the public services to the rural population. The main areas of volunteers' work include assisting vulnerable persons, greeting visitors, assisting in joining and monitoring electronic queues, conducting preliminary consultations, using self-service corners and providing assistance in helping people obtain necessary background information on services. During 2023, volunteers have supported 2175 rural populations, including 28.5% of women, 24.5% of men, 26.5% of youth, 15% of elderly persons and 5.5% of persons with disabilities.

The project promoted innovative methods of public administration, as well as the application of results-based management in citizen-oriented planning and governance systems in public service delivery (Pillar IV). To support the ongoing reforms in the field of local governance, as well as to promote the practical solution of many pressing problems of people and business entities, the project team started a conceptual work on the establishment of front offices in the buildings of district khokimiyats. Establishment of front offices should serve as a timely response to citizens' appeals, a critical and objective assessment of the work of local authorities.

To facilitate digitization of local Kengashes of People's Deputies with direct support of the Project in cooperation with the Senate, company "Uzinfocom" developed an online portal of local Kengashes of People's Deputies (kengash.gov.uz). This portal currently functions in test mode.

Based on the best international practice and recommendations of conducted studies, the Public Advisory Councils have been established in 4 pilot districts to increase the level of citizen participation, particularly that of women and more vulnerable groups, in preparing, adopting, implementing, monitoring and evaluating development programs at the district level. The PACs are an effective mechanism for providing public information and services, and contributing to decentralising the public administration system. PACs implemented 29 projects, organised 68 meetings and 18 training sessions and capacity building exercises for 210 people.

3. Issues

a) *Please specify the issues and challenges that were raised during the reporting period to the attention of the Project Board. Describe the steps taken to solve those (Management response in QUANTUM).*

During the reporting period, several issues and challenges were faced, primarily resulting from external factors.

1. Administrative Reforms and Government Restructuring

One significant challenge was the impact of administrative reforms, which led to delays in approving project plans and executing project activities. These reforms included changes such as the re-appointment of high-level public officials and the restructuring of ministries and public agencies. For example, as a result of the merging of the Public Services Agency under the Ministry of Justice, the implementation of some important project activities was delayed.

To mitigate these disruptions, the project team focused on building strong relationships with new officials and actively collaborating with national partners to ensure continuity in the project's activities.

Close communication was maintained with ministry representatives, and efforts were made to adapt to the new administrative realities to minimize disruptions in project delivery.

2. Improper coordination between front and back offices

Another challenge was still existing miscoordination and sometimes unfair competition between the front (MoJ) and back -offices (government institutions responsible for public services delivery). The project team faced difficulties with the establishment of cooperation with a number of public institutions, including the Ministry of Internal Affairs, the Pension Fund under the Ministry of Finance (former), the Ministry of Labor Relation and Poverty Reduction, etc. which provide many important and social-oriented public services. However, the project team has managed to implement several important reforms, including reforms of the pension system of Uzbekistan.

4. Project risks

a) Please report on any changes with regard to the raised risks within the project cycle (e.g. risk occurred; no change, etc.). Specify the responses taken for each of those.

In Section 4.1.2, the project document identified a number of risks articulated in its Risk Analysis. The following is a summary assessment of those risks and their effects on the project implementation and performance.

Financial

The anticipation of low progress due to bureaucracy was overcome by strong project management, including the project team's skilful employment adaptive management practices. While market fluctuations between the Euro and the US dollar were not significant during the project cycle.

Operational

Numerous operational risks were identified in the project document. On all counts, the project team addressed these issues and ensured smooth delivery. Although the project operated under significant unforeseen operational challenges, such as the COVID pandemic and major administrative reform in the government, the project team was able to manage circumstances so that all efforts were delivered on time. For example, to mitigate the risk of delays in project implementation UNDP encouraged the MoJ to cooperate on future project activities, and as a result, the MoJ assigned a new Project National Coordinator. During the lockdown due to the COVID-19 pandemic, the project was able to accelerate its activities on the digitization of public service delivery to quickly enhance the government's ability to provide services virtually.

Strategic, Political and Regulatory

The project team offered important expertise to enhance governmental capacities and flexible management to address the complexities as they arose. The project team diversified their collaboration with a range of national partners strengthening the government's delivery of the necessary policies, regulations, and support needed for local government introduction of PACs and engagement with a range of government agencies to provide a one-stop shop. There was no known overlap with other donor activities in Uzbekistan. In the end, the success of the project demonstrated that an enabling environment was created for the improvement of public services reaching vulnerable groups.

Technical

The prototyping of blockchain solutions in public service delivery (Activity 1.7) was well received by government officials. The project provided equipment and expertise that helped to advance this system. Government officials utilized the expertise of the project team and its external experts, sharing international best practices and advising on further advancing the public service delivery system.

Project Risk Log is attached.

5. Lessons learned and follow-up steps (if applicable)

a) Please provide the lessons learned and further steps after the project's closure.

The project has provided valuable lessons that can inform future programs and ensure sustainability beyond the project's closure. These lessons have been derived from the challenges encountered, the successes achieved, and the responses implemented throughout the project cycle. The following lessons have been documented during the independent final evaluations of the project:

- The project design includes a strong framework for what the project will entail while providing space and flexibility for how it will be implemented.
- Sufficient and properly allocated human resources are necessary to achieve the intended project results.
- Significant engagement with national partners starting with the project design to identify their needs and clarify each actor's roles and expectations will encourage efficient implementation.
- Close collaboration between relevant Country Office units and the project team during the design phase and throughout implementation will facilitate efficiency and leverage UNDP expertise.
- Building a strong, well-prepared team enables effective implementation.
- Building a collaborative, supportive environment promotes a healthy team working at their top capacity.
- Building a strong national partnership and mutual collaboration sets the foundation for meaningful, long-lasting impacts.
- National ownership should be intentionally and continuously built throughout implementation.
- Capacity building with national actors throughout implementation is critical to ensure institutional learning, not just individual learning.

Further Steps After Project Closure:

- The piloted approaches aimed at the creation of an inclusive environment for all visitors of the PSCs, including self-service corners, special conditions for people with disabilities, the Women Advisory Groups, zoning approaches, etc. should be replicated in other PSCs countrywide.
- The implementation process of the Road Map to the Public Services Further Development Strategy should be monitored, evaluated and renewed if required.
- Further digitalization of the public services delivery system through BPR and functional analyses should be continued using practices and methodologies piloted during the project implementation. The sustainable operation of such digital systems as License, Apostille and Blockchain in the Civil Registry must be ensured.
- A special focus should be made on the assessment of the quality and accessibility of public service delivery, especially in rural areas.
- During the next stage of the development of the public services delivery system (including the next UNDP interventions) should focus on the capacity and institutional development of back office institutions.

6. Transfer of Assets or other related matter

a) Please state any past or future transfer of assets made within the project cycle (Attach list of equipment, cooperation frameworks with beneficiaries, etc.)

Within the framework of the project, several servers, computers, other IT equipment and furniture have been procured and transferred to the MoJ.

The set computer equipment for the project personnel and two vehicles procured within the project will be used during the implementation of the Second Phase of the Project "Further Improvement of Public Services Delivery in Uzbekistan".

7. Financial management

Total approved budget: USD 11,043,357.14

Including:

EU contribution USD 10,840,655.50

UNDP contribution USD 202,701.64

Total expenditure: USD 10,986,641.07

Including broken down by donor:

EU contribution USD 10,783,939.43 (99,48%)

UNDP contribution USD 202,701.64 (100%)

Delivery rate: 99.50%

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Endorsed by the Project Board:

_____ Implementing Partner (National Project Coordinator)

DocuSigned by:
Anas Fayyad Qerman
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[Checklist to be completed by the Programme focal point:](#)

- * **Yes** * **No** Annual targets reporting is finalized in QUANTUM
- * **Yes** * **No** Risk/issue/monitoring logs are updated in QUANTUM by Project Manager and management response is updated by Programme Officer / programme focal point
- * **Yes** * **No** Transfer of Assets is made
- * **Yes** * **No** signed CDR for each implementation year is available.
- * **Yes** * **No** Project files are handed over by the PM and all other pending issues are settled by the PM prior to the operational closure.
- * **Yes** * **No** Project can be operationally closed.

If for some boxes, "No" was checked, please provide justification:

Signed by:

Bunyod Avliyokulov, Program Analyst of Effective Governance, Project's Program Focal Point

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Annex 1. Risk log

#	Risk description	Risk type	Repercussions / Probability and Impact ¹	Mitigation action		Owner
				Initial	Updated (June 2023)	
1	Slow progress in the delivery of project activities due to long clearance from Government agencies	Financial	It may affect the project's annual budget delivery rate and disbursement of next instalments. P=4; I=5	Project team will prepare a detailed action plan and monitor progress systematically in close cooperation with the Country Office. Monthly meetings will be organized to review progress and make recommendations to remedy the situation.	No change in risk level. P=4; I=5. Comments: To mitigate the risk the Senior Management of UNDP in Uzbekistan has met at least 4 times during the reporting period with the Minister of Justice of the Republic of Uzbekistan to discuss and agree the project's implementation and outstanding issues. The administrative reforms in the country launched in December 2022 also had a negative impact on progress in the delivery. The project team spent more time than usual for agreement project plans, concepts and TORs to start some project activities, as project partners (both organizations and specialists) or institutions merged to other institutions or specialists moved to another job. The project team under the leadership and close coordination of the Project Manager has established suitable approaches to collaborate with and to monitor progress systematically with UNDP Country Office and the National Partner – MoJ. Also, to ensure on-time delivery of Project Activities stipulated in APA and AWP the Project has agreed roadmap of actions with relevant MOJ Departments.	Project Manager
2	Lack of incentives prevents the private sector entering into PPP with the MoJ	Regulatory	It may affect the efficiency and sustainability of project outcomes and outputs	Support proper design and support streamlining of legal framework to create enabling environment for PPP models application	Re-occurred. Comments: The risk re occurred due to the following: Main project partner is piloting of PPP in public services delivery – The Ministry of Economic Development And	Project Manager

¹ Probability (P) and Impact (I) are rated on a scale from 1 (low) to 5 (high).

#	Risk description	Risk type	Repercussions / Probability and Impact ¹	Mitigation action		Owner
				Initial	Updated (June 2023)	
			P=1; I=2		Poverty is merged with the Ministry of Finance of Uzbekistan during the recent administrative reforms in Uzbekistan started in December 2022. A department within the Ministry was also merged to another department. The specialists in the Ministry that supported the project in piloting the PPPs were also moved to other institutions. The draft of the Degree of Cabinet Ministers aimed at piloting provision of public services and public function by the private sector, that earlier sent for Government's consideration returned with comment and recommendations for improvement. Now, the project involved another institution - the Strategy Reforms Agency under the Presidential Administration to pilot PPPs in public functions and public services delivery. Thus, now the project has developed further concepts on conducting research for studying private sector capacity to deliver public services or functions. Also, it should be noted that, the project team will extend its activities and will work on involvement the private sector to public services delivery such partnership modalities as outsourcing, joint ventures, etc. The Project team has conducted several consultations and meetings with Management of the Agency for Strategic Reforms under the President of the Republic of Uzbekistan in April-May 2023. As a result, an Action plan on application of PPP and other partnership modalities of Government with private sector in the area of involvement of provision of public services and public function by the private sector was developed and agreed.	

#	Risk description	Risk type	Repercussions / Probability and Impact ¹	Mitigation action		Owner
				Initial	Updated (June 2023)	
					Moreover, earlier developed with expert support of the Project the draft of Degree of Cabinet Ministers aimed at piloting provision of public services and public function by the private sector will be updated as per comments and recommendations from the Government.	
3	Establishment and operation of the pilot PSCs may not be fully supported by relevant Government entities in offering quality public services	Strategic	It may hinder timely and effective implementation of certain project activities P=1; I=1	Promote, advocate, encourage, linkage of project activities with other Government entities' reform agenda on public service delivery, in close cooperation and consultation with the MoJ	Eliminated. Comments: All 7 pilot PSCs were established as planned and operating. This is due to project team observations of positive collaboration and support by all Government entities for the establishment of pilot PSCs. The official opening ceremony of the last 7th pilot PSC in Nukus district of the Republic of Karakalpakstan was conducted on 10th June 2023. Since the task of establishing new PSCs is part of the state agenda, the relevant Government entities demonstrated high commitment and ownership on this activity. However, the successful operation of pilot project PSCs is fully dependent on the level of ownership and engagement of the management of relevant regional departments and overall coordination of the Central office of the MoJ.	Project Manager
4	Targets may not be achieved due to slow and inefficient response from relevant Government	Strategic	It may affect the efficiency and sustainability of the project outcomes and outputs P=3; I=5	Close monitoring of the project activities implementation and proposing recommendations for addressing any inhibiting	No change in risk level: P=2; I=3 Comments: During the third year of the Project no major issues have been encountered with the National Partner – the MOJ in terms of resistance to change.	Project Manager

#	Risk description	Risk type	Repercussions / Probability and Impact ¹	Mitigation action		Owner
				Initial	Updated (June 2023)	
	agencies or if resistance for change is not sufficiently overcome.			issues arising to the Project Board	In addition, the project started to involve other interested such national partners as the Ministry of Economy and Finance, Agency for the Development of Public Service, Agency for Strategic Reforms under the President of the Republic of Uzbekistan, National Agency for Social Protection under the President of the Republic of Uzbekistan, the Senate of Oliy Majlis which facilitated or decrease the probability and impact of the risk.	
5	Distributed ledger technologies' benefits are not comprehended or considered useful under prevalent circumstances	Other (organizational)	It may affect the effective implementation of several project activities P=2; I=2	Analysis of international good practices and development on blockchain technology applications to check relevance, as well as conducting feasibility studies	Risk eliminated and reported during the last reporting period.	Project Manager
6	Local residents may not have sufficient incentives to provide innovative ideas	Operational	It may affect some of the project outputs P=1; I=1	Provide appropriate incentives to entice local residents to propose innovative ideas	No change in risk level: P=1; I=1. Comments: Project in close cooperation with the UNDP ACC LAB developed and presented the exploration and solution mapping (piloting) such innovative ideas in rural areas as improvement the provision of public service mobile, and gamification of public services provision that aimed at demonstrating the process of obtaining public services through gameplay. In addition, local residents and employees of local Public Service Centres have been actively engaged in surveys and discussions organized by the project team to date, which reflects an adequate level of interest. Currently based on the EU ROM the Project is finalizing the Concept on Establishment of innovation centres that	Project Manager

#	Risk description	Risk type	Repercussions / Probability and Impact ¹	Mitigation action		Owner
				Initial	Updated (June 2023)	
					will serve as the platform to support the people (especially from vulnerable groups, youth, women and people with disabilities) with innovative ideas in pilot regions.	
7	Overlap in donor's activity in Uzbekistan	Strategic	May effect on the efficiency and sustainability of the project's outputs and outcomes P = 1; I = 3	Organization of donor coordination meetings with the Ministry of Justice in co-Chair role and ensuring complementarity of development partners activities.	No change in risk level: P=1; I=3. Comments: The project is implementing a comprehensive communications activity to inform all interested parties, including the donor community about project intervention to avoid duplications.	Project Manager/ Project Board
8	COVID-19 effect	Operational	It may hinder effective and timely implementation of certain project activities P=4; I=4	The project team took immediate actions to mitigate the risk, including organization of continues work from home for all project staff, regular communication with the national partner, close monitoring of all ongoing and planned project activities.	Risk eliminated and reported during the last reporting period.	Project Manager
9	Loss in funds due to FX (foreign exchange) market fluctuations on euro vs dollar	Financial	It may affect the availability of funds for certain activities of the project P=2; I=1	Project team in close collaboration with Administrative and Finance Services of the UNDP Country Office will monitor currency fluctuations and record significant changes	No change in risk level: P=2; I=1. Comments: Occurred. The first pre-financing instalment in the amount of EUR 600000 was received by UNDP on 10.05.2019 when the FX rate USD 1= 0.897 EUR The Second pre-financing instalment was received on 02.11.2021 with FX rate USD 1= 0.858. The Third pre-financing instalment was received on 24.11.2022 with FX rate USD 1= 0.967.	Project Manager

#	Risk description	Risk type	Repercussions / Probability and Impact ¹	Mitigation action		Owner
				Initial	Updated (June 2023)	
					After receiving the Installment 2 the project gained in the amount of USD 63 744.76 due to FX (foreign exchange), however, during receiving the Third Instalment the project lost USD 125 500. The total loss after two instalments was in the amount of USD 61 755.25. However, such loss in funds from the last 4th instalment (i.e., 986 938.46 EUR) due to FX (foreign exchange) market fluctuations on euro vs dollar is expected too.	
10	Incomplete or disbalanced start of the project activities due to delay in recruitment of the project staff	Operational	It may hinder effective and timely implementation of certain project activities P=4; I=4	Sharing ToR of the project staff with the human resources unit in advance, devising recruitment plan and strict implementation timeline	Risk eliminated and reported during the last reporting period. Comments: Completed. Recruitment and formulation of Project staff has been finalized.	Project Manager
11	Delay in developing technical specifications for procuring ICT equipment	Operational	It may hinder effective and timely implementation of certain project activities P=1; I=3	Consultations with MoJ for developing the technical specifications for procuring ICT equipment and provision of advice by UNPD on technical specifications	Risk eliminated and reported during the last reporting period. Comments: Completed. The project has developed a detailed procurement plan and, in close cooperation with the UNDP Procurement Unit, is monitoring the implementation of procurement activities. Discussions are regularly conducted with the national partners on the technical specifications of the equipment. Procurement of all planned within signed project document IT equipment and services completed.	Project Manager
12	Delay in procurement of equipment and hardware due to overdue in procurement	Operational	It may affect the project annual budget delivery rate P=4; I=4	The project team and UNDP Programme unit in close cooperation with UNDP Procurement Unit will closely monitor the implementation of procurement plan and	Risk eliminated and reported during the last reporting period. Comments: Completed. The project almost finalized all procurement of equipment and hardware.	Project Manager

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				Initial	Updated (June 2023)	
	process (tender, evaluation and etc.)			each tender process. National partners will be also requested to share their technical specifications well in advance.		
143	Internal reforms within the Ministry of Justice and Public Service Agency may slow down implementation progress	Organizational	It may hinder the effective implementation of certain project activities P=2; I=4	Close communication and regular meetings with national partners in line with approved annual work plan; organization of Project Board meetings to discuss mitigation measures	No change in risk level: P=2; I=4. Comment: Occurred. From January to April 2022 the progress in the delivery of project activities slow down due to the following: On March 17, 2022, by the Decree of the President of the Republic of Uzbekistan, the proposal of the Republican Commission for Coordinating the Development of the Administrative Reform Program of New Uzbekistan for 2022-2023 to join the Public Services Agency and its territorial departments with the transfer of tasks, functions and powers to the Ministry of Justice was approved. This was done in order to further strengthen the role and responsibility of the justice authorities in solving the legal problems of the population, including through saving and rational use of budgetary funds by strengthening the priority of justice and law in the country, creating a compact and efficient administrative body that professionally serves the population, a clear determination of organizational and legal mechanisms for the implementation of functions. The institutional changes within the MoJ were also announced and discussed during the tripartite meeting (05.05.2022) with the participation of the UNDP, EU and MoJ management.	Project Board

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					However, during December 2022, another administrative reform was started in Uzbekistan, when the number of Ministries and Agencies were decreased and some of them merged with each other. This, in turn, negatively affected the progress of project implementation.	
14	Local Governments unable or unwilling to introduce participatory mechanisms in local governance	Political	It may hinder timely and effective implementation of some project activities P=1; I=4	Promote and actively support Involvement of local Government authorities in introducing participatory mechanisms in local governance	Mitigated. No change in risk level. Comments: Project has established good working relations with the Senate of Oliy Majlis of the Republic of Uzbekistan which became a bridge in the implementation of project interventions on enhanced local governance. The joint plan with the Senate, agreed on in 2021 was extended during 2022 and a new Joint plan was developed and signed for 2023. The Action Plan on local governance development with the Senate includes the implementation of such practical activities as capacity development, introduction of KPI, establishment and development of Public Advisory Councils, local participatory budgeting, etc. However, the risk levels stay unchanged due to frequent changes in state policy related to local governance and personnel of khokims and other specialists in the local governments of the pilot regions.	Project Board
15	Challenges in engaging other Government agencies, particularly regional administrations into	Political	It may affect the efficiency and sustainability of project outcomes and outputs P=2; I=2	Linkage of project activities with other Government entities' reform agenda on public service delivery, in close cooperation with the	No change in risk level. Comments. The Project has established an interagency project board in order to increase cooperation between Government agencies and departments.	Project Manager

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	the project activities due to low level of interagency cooperation			MoJ and the Office of the President	Also, the project team diversified the cooperation with various national partners, including with the Senate, the MoEF, MITC, Agency for Strategic Reforms under the President of the Republic of Uzbekistan, National Agency for Social Protection under the President of the Republic of Uzbekistan, ARGOS, regional and district khokimiyats, NGOs, etc.	
16	Regulation amendments and/or service standards and functional reviews results submitted are not adopted by the Government	Regulatory	It may affect the efficiency and sustainability of the project outcomes and outputs P=3; I=5	Advocacy activities, presentation of policy recommendations for a wider group of stakeholders, ensuring quality of conducting peer reviews	Mitigated. No change in risk level. Comments: Project team, under the guidance of the UNDP GG Cluster, has developed an internal note detailing potential impact of expected activities, which also include thorough analysis of the proposed changes in regulations not being adopted by the Government. Based on this exercise, the team is planning to discuss the associated risks with the National Partner in order to learn more of the potential inhibiting factors and thus be able to devise solutions to reduce or eliminate their impact on project implementation progress. In addition, the project team has partnered with the Senate and MoEF and are working on the joint Action Plan which was aligned with project goals and activities.	Project Manager
17	Drive for modernization and implementation of reform-oriented initiatives may lose momentum in the years ahead	Political	It may affect the pace of project implementation P=1; I=5	Promote and advocate results of reform activities to keep the momentum going.	Reduced. No change in risk level. Comments: Reduced. The Government is continuing to support the project interventions. For example, the National Strategy for Modernization and Accelerated Development of the Public Service System for 2022-2026 and its roadmap was developed within the project, and subsequently approved by the President's Decree of the Republic of Uzbekistan dated 20 April 2022 'On	Project Board

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				Initial	Updated (June 2023)	
					additional measures to simplify the provision of public services, reduce bureaucratic barriers and develop the national system of public services'. The Strategy's objective is to improve legislation and increase the efficiency of administrative procedures, optimize business processes using reengineering approaches and carry out a comprehensive transformation of the entire public service delivery system aimed at creating an inclusive environment enabling equal conditions for all. Although the negative impact of such risk remains high, the probability of its occurrence also remains low.	
18	Public servants approach trainings offered as a formality rather than as opportunity to learn new ways of providing public services	Operational	It may affect core project activities and outcomes P=2; I=5	Promote and advocate merits and benefits of receiving training on public service delivery	Change in risk level: P=2; I=3 Comments: Reduced. To date, a number of trainings have been conducted for the staff of the relevant MoJ specialists and PSCs on stress management, crisis management, time management and effective communication. Feedback provided by participants has been largely positive, but it is too early to draw conclusions on the impact and evaluate it. Project has contracted a training company for 15 types of training for front, back offices and local government representatives. As well as three Summer Schools for the PSA/PSCs management, local governors and deputies, as well as for volunteers using interactive approaches are planned. These will be carried out by the next reporting period.	Project Board
19	Corporate web portal not maintained appropriately	Technical	It may affect some of the project outcomes and outputs P=2; I=4	Special attention paid in updating information in the corporate web portal continually and systematically	No change in risk level. Comments: Citizens' appeals are not properly maintained on www.my.gov.uz (www.davxizmat.uz closed due to merge of former PSA to the MoJ). Only	Project Manager

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	leading to loss of appeal by citizens				general and not comprehensive analysis is carried out on this subject, and no approach to problems based on feedback from users is applied yet. However, the established call center #1148 started to operate to address the needs of beneficiaries in various subjects. Establishment of the situation centre within the project, which will include a Data Centre, will address these issues, while the project's other future product – a long-term strategy for a Public Service Delivery (PSD) system in Uzbekistan -- will suggest and outline strategic approaches.	
20	Local residents may not be interested in enhancing their digital skills due to life's or other circumstances	Operational	It may affect the efficiency and sustainability of the project outcomes and output P=2; I=3	Administer surveys and citizen engagement activities to find the most effective ways to involve local residents in project activities on digital skills; showcase benefits as per communication and visibility plan in the media and otherwise	No change in risk level. Comments. Just like globally, in Uzbekistan the expectation is that people's interest in enhancing their digital skills will only increase despite lives or other circumstances. For example, utilisation of the Unified portal of interactive public services (my.gov.uz) has increased from 1.3 mln applications in 2019 annually to 6 mln in 2022. While off-line applications have decreased from 4.7 mln to 3.2 mln. respectfully. However, the low quality of internet in rural areas remains unchanged, therefore the risk is still active.	Project Manager
21	Absence or improper quality of digital infrastructure, including the internet mostly in rural areas	Operational	It may affect the efficiency and sustainability of project outcomes and outputs P=3; I=3	The project team will conduct deep analysis of infrastructure needed for smooth piloting of blockchain solutions for public services delivery and continues discussions with the Public Services Agency (PSA) to clearly define the	No change in risk level. Comments. On 28 April, President Shavkat Mirziyoyev signed a resolution on measures to widely introduce the digital economy and e-Government. The document sets the task of completely modernizing the country's digital infrastructure and providing access to modern telecommunications services in all regions. To this end, in 2020-2021, the Government plans to connect all	Project Manager

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				possible risks mitigation actions	healthcare institutions, schools and kindergartens and villages and mahallas to high-speed Internet and improve the quality of communication services ² . Risk levels will be re-evaluated once implementation of these activities is launched.	
22	Budget availability to finance the operations of the MoJ related to public services delivery system	Financial	It may affect the operational ability of the MoJ to implement its mandate. P=1; I=4		No change in risk level. Comments: The Project will undertake the financing of additional activities to make up for such an eventuality so that public service delivery reform continues unhindered. For example, 3 rd Project Board Meeting (from 14.03.2022) has approved the additional support within the project on financing the finalization of establishment of the Data Center, as well as equipment for additional pilot PSCs in Namangan region and Republic of Karakalpakstan.	Project Board

² <https://bit.ly/2Ydbex9>; <https://lex.uz/docs/4800661>