

Draft document

Uzbekistan

Project title: Enhancing the resilience of the local population and promoting green, inclusive development of the most vulnerable communities in the Aral Sea region

Project number: 00138596

Implementing Partner: Ministry of Agriculture of the Republic of Uzbekistan

Date of the project appraisal and review meeting: 4 March 2022

Background

The tragedy associated with the drying up of the Aral Sea led to a sharp increase in the shortage of water resources for both irrigation and household needs, land degradation and desertification, reduced income opportunities, increased poverty, insufficient food supply for the population and decrease in health indicators of the population living in the zone of ecological disaster. The Aral Sea region remains the most vulnerable and less prosperous in Uzbekistan.

The project aims to apply a systematic approach to reduce / mitigate environmental and socio-economic problems of target districts of Karakalpakstan in order to increase the resilience of the local population and promote green, inclusive development of the most affected communities in the region, as well as scaling up green approaches and solutions.

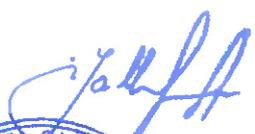
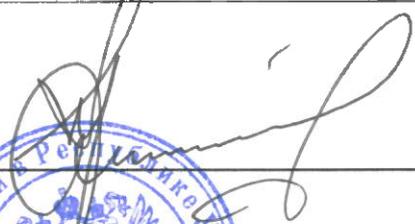
The project proposes to solve the development problem through the implementation of the following components:

- *Component 1:* Increasing the productive capacity of the agricultural sector and ensuring the resilience of local farmers and dekhkan farms against climate change
- *Component 2:* Building the capacity of local farmers and dekhkan farms to export local products to Russia and other countries
- *Component 3:* Improving social infrastructure and ensuring rural communities' access to basic social services

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|--|---|--|-----------|
| <p>The final outcome of the UNDP Country Program for 2021-2025:</p> <p><i>Outcome 3.1:</i> Women, youth and people from remote rural areas benefit from improved skills, sustainable jobs and increased income</p> <p><i>Outcome 4.4:</i> Systemic innovations for integrated solutions in the Aral Sea region</p> <p>Indicative Intermediate result with "Gender Marker" indication²: GEN-2</p> | Total resources required: | 5 000 000 | |
| | Total allocated resources, US dollars: | UNDP fixed assets: | |
| | | Government of the Russian Federation / Ministry of Foreign Affairs (donor): | 5.000.000 |
| | | Government of the Republic of Uzbekistan (parallel financing): | |
| | | Government of the Republic of Karakalpakstan (parallel financing): | |
| | | In-kind contribution (contribution of local communities): | 500.000 |
| Funding gap: | | | |

¹ Note: signatures of the respective persons

² The Gender Marker indicates the extent to which the project has contributed to gender equality and the empowerment of women. Select one marker for each of the intermediate outcomes: GEN3 (Gender Equality Primary

| Government/Implementing Partner | Embassy of the Russian Federation to the Republic of Uzbekistan |
|---|--|
|   Mr. Khodjaev Jamshid Abdukhakimovich, Minister of Agriculture of the Republic of Uzbekistan |   Embassy of the Russian Federation to the Republic of Uzbekistan |
| Date: <i>7 March, 2022</i> | Date: <i>7 March, 2022</i> |
| UNDP Uzbekistan | |
|   Ms. Matilda Dimovska, UNDP Resident Representative in Uzbekistan Date: <i>7 March, 2022</i> | |

Goal); GEN2 (gender equality is one of the significant goals); GEN1 (Limited Contribution to Gender Equality); GEN0 (no contribution to gender equality)

I. Development challenge

One of the main tasks of the Government of Uzbekistan is the development of human potential in the Aral Sea regions, including Karakalpakstan, affected by the Aral Sea disaster.

The Republic of Karakalpakstan, in terms of its area, ranks first among the regions of the country and is mainly represented by the territories of the arid and subarid zones, where the processes of desertification and land degradation are clearly expressed. According to official data, up to 70% of the territory in Karakalpakstan is subject to desertification processes. The vastness of the territory with a low population density and the direct location of a part of the Aral Sea here have an impact on the sustainable development of the region.

The main sources of the region's vulnerability to climate change are the high sensitivity of arid arable land and high demand for water to meet the needs of the population and preserve ecosystems. The average annual temperature in Uzbekistan has been increasing by 0.29 degrees Celsius every decade since the 1960s. More frequent extreme weather conditions such as droughts, early / late frosts negatively affect the productivity and quality of agricultural products, resulting in crop loss, increased plant diseases, pest growth, reduced water for irrigation and watering of livestock, degradation and depletion of natural pastures, etc. In 2000, the drought affected more than 600,000 people and caused economic losses of US \$ 50 million. Severe droughts were also observed in 2008 and 2011.

According to the State Statistics Committee, in Karakalpakstan, out of 33 905 thousand inhabitants, about 49.5% or 16 787 thousand were the residents of rural areas as of early 2020. In some districts, urbanization is lower - from 29.9% in Karauzyak to 21.0% in Nukus districts. Most rural residents directly or indirectly depend on income from activities on the land. The COVID-19 pandemic has practically derailed nullified economic growth in Uzbekistan and threatens to slow Uzbekistan's progress towards the SDGs. Poverty rates rise for the first time in two decades. According to the IMF, the growth rates of GDP in Uzbekistan will decline from 5.6% in 2019 to 1.8% in 2020, and Karakalpakstan, which is the most vulnerable region of the country, is susceptible to the negative consequences of the pandemic to the greatest extent, which affects the aggravation of the insecurity level of the residents of Karakalpakstan. Government is taking decisive measures to contain the spread of the pandemic and mitigate its socio-economic impact.

According to the estimates of SIC ICWC, carried out in 2003, the total socio-economic losses from the ecological disaster in the Southern Aral Sea region amount to USD 144.83 million per year, similarly in the Northern Aral Sea region they amount to USD 47.96 million per year.²

A comprehensive needs assessment in the Aral Sea region carried out by UNDP in 2017 on the subject of human security (socio-economic) in various aspects of life of the local population in 8 districts of Karakalpakstan reflects that the local population in rural areas suffers from unemployment and income opportunities. from severe environmental degradation, lack of clean drinking water, etc. According to the survey, 46.9% of respondents are not satisfied with the environmental situation. Main reasons: soil salinity (70.6%), air pollution (12.7%), water pollution (9.5%), drought (6.7%).

The problem of employment in Karakalpakstan is most acute in relation to other regions of Uzbekistan. Among the potential social risks identified in the course of the survey, the population employment issue ranks first. About 35.0% of the total number of employed is in the informal sector, with a threshold value of this indicator of 30.0%. In the structure of employment, employment in agriculture is decreasing, though the bulk of the labor force is involved in this area (28.0%).

According to the official data of the State Committee of Uzbekistan on Statistics for 2019, 14.8% of the population in Karakalpakstan joined the category of needy people, which is one of the highest

² Source: <https://aral.uz/wp/ifaas/%D0%B01/>

indicators among the regions of the country³ and slightly over 50% of the population have access to centralized water supply. Thus, the lack of access to basic services and high rates of unemployment in the region exacerbate the problems of decent livelihoods and development of human potential, this problem is especially acute for women and youth. For example, according to official statistics, the unemployment rate among young people aged 16-25 in the country is 17.0%, while the participation of women in the labor force is significantly lower than that of men (33.0% against 67.00%).⁴

With regard to the population's access to education, health care, housing and communal services and social security services, the most acute issue is the access of the population to high-quality drinking water, where the dissatisfaction of the population reaches 33.9%. The main reasons are irregular water supply, poor water quality. There are problems with providing the rural population with hot water, housing conditions improvement.

The development of **agriculture** in Karakalpakstan has a number of features associated with the need to adapt the production structure to the environmental conditions, degraded land and water resources and climate change. As of early 2017, the area of irrigated land in Karakalpakstan amounted to 509.6 thousand hectares with a total land area of 16.7 million hectares. The dynamics of agricultural development is unstable and directly depends on climatic conditions. There is a trend towards a decrease in the share of livestock (from 53.2% to 51.7%) and an increase in the share of crop production (from 46.8% to 48.3%). Also, there is a positive trend in the production of basic agricultural products (cereals, rice, vegetables, fruits, meat, milk, eggs, etc.) In the Aral Sea region, the water availability is the lowest in Uzbekistan (60-70%). The current situation with land and water resources has a negative impact on the effective use of the existing potential of crop and livestock production. Half of the irrigated land has a low bonitet. In 2016, 73.4% of irrigated lands had different degrees of salinity (including low - 30.7%, medium - 35.7%, and high - 7.0%).

The government of Uzbekistan adopted a number of government decrees and state programs to provide assistance to the Aral Sea region: (1) The concept of "Aral Sea region is a zone of environmental innovations and technologies", aimed at ensuring the transition of the Aral Sea region to a risk-sensitive sustainable development based on a green economy and principles of an economy with a circular use of products, environmentally friendly priority use of renewable resources, supported by innovative financing from public and private sectors, society and development partners; (2) State program for the development of the Aral Sea region for 2017-2021; (3) "On measures to create additional favorable conditions for business activities in the Republic of Karakalpakstan and Khorezm region", etc. In addition, in May 2021, the UN General Assembly unanimously approved a resolution declaring the Aral Sea region "a zone of environmental innovations and technologies". This measure was initiated by the Republic of Uzbekistan, and the resolution was co-sponsored by over 50 states, including Azerbaijan, Belarus, Kazakhstan, Russia, Tajikistan and Turkmenistan.

In addition to targeted programs aimed at solving current problems in the Aral Sea region, in 2017 the government of Uzbekistan approved the "Strategy of actions for the five priority areas of development of Uzbekistan for 2017-2021" representing a plan of reforms in all areas, including socio-economic development and aimed at the liberalization and modernization of the economy, promoting exports and increasing the competitiveness of domestic production, and in the social sphere - creating decent jobs.

Also, a national "Strategy for the transition of the Republic of Uzbekistan to a green economy in 2019-2030" was developed with specific targets to reduce emissions through improved energy efficiency, including through the use of renewable energy sources, more efficient use of resources (including water and land resources) and crop yields. The strategy also provides for measures to mitigate and adapt to the consequences of an environmental disaster in the Aral Sea region.

³ Source: <http://nsdg.stat.uz/goal/4>

⁴ Source: <https://www.uz.undp.org/content/uzbekistan/ru/home/library/poverty/summary-project-report-on-a-socio-economic-survey-of-the-needs-o.html>

New strategy for the development of agriculture of the Republic of Uzbekistan for 2020-2030⁵, adopted by the government of Uzbekistan in October 2019, encourages the sustainable use of natural resources, the integration of private businesses into global and regional value chains, offers productive employment opportunities by fostering economic initiatives and innovation, and builds relevant knowledge, information and advisory services and digital skills for the sector of agriculture.

The international community is also actively involved in mitigating the negative consequences of the environmental disaster. The UN Trust Fund for Human Security provided assistance in the implementation of two joint programs in the Aral Sea region in 2012-2019 for a total amount of more than US \$ 10 million. These programs were aimed at meeting the primary needs of the population affected by the environmental disaster, as well as strengthening their resilience. As a result of the work carried out, significant results have been achieved in ensuring economic, environmental, food security including security in the field of health care services in the target districts of Karakalpakstan.

With the support of a number of UN agencies (UNDP, UNESCO, UNFPA, UNV), in 2017, the Joint Program "Strengthening the resilience of the population affected by the Aral Sea crisis" was launched through the development of a unified strategy and roadmap for rendering assistance to the Republic of Karakalpakstan and the creation of the UN Partner Human Security Trust Fund for the Aral Sea Region in Uzbekistan (MPHSTF). The MPHSTF for the Aral Sea region provides comprehensive assistance to the Government in mobilizing resources and coordinating the efforts of the international donor community in the implementation of targeted programs and projects, with the study and application of best world practices.

A joint project of the Government of the Republic of Uzbekistan and UNDP, funded by the UNFCCC Adaptation Fund, aimed at the finding solutions to the problems of reducing the risks associated with the occurrence of low water and drought, taking large-scale measures to ensure the transition of rural communities to climate-resistant agriculture and conduct adaptation measures at the landscape level (restoration of degraded pastures and assistance in forest reclamation work) has been successfully implemented since 2014.

Despite the actions taken by the government of Uzbekistan and the government of the Republic of Karakalpakstan, numerous initiatives of the international community, the scale and multifactorial nature of the current problems in the region remain significant and require appropriate solutions and support. During the preparation of this project proposal, the following threats and barriers were identified:

A. Inefficient use of agricultural land, including pastures

One of the main reasons for the decline in agricultural productivity is ineffective irrigation and insufficient maintenance of drainage systems, which in the aggregate lead to salinization and waterlogging, as well as to a significant decrease in the fertility of arable land. According to expert estimates, the degradation of arable land is estimated at about \$ 1 billion per year in lost economic benefits. In addition, cases of expansion of cultivated areas by farmers during especially dry seasons were recorded in order to have the planned income, which resulted in increase in the consumption of water and other consumables. Such decisions of a short-term nature, without proper long-term planning aimed at response rather than prevention, gradually lead to depletion of land resources, lower profitability of farmers and, ultimately, negatively affect the economic performance of the agricultural sector in the region and the achievement of goals for ensuring the country's food security in whole. Within the framework of the new policy for the development of agriculture, measures are being taken to increase the efficiency of arable land not by introducing additional agricultural areas, but through the use of "green" agricultural practices that help reduce degradation, increase soil fertility, and increase yields. However, these measures require significant technical and financial support, in part in the Republic of Karakalpakstan.

⁵ Source: <https://lex.uz/ru/docs/4567337>

The reasons for the degradation of natural pastures in Karakalpakstan are the drying out of the soil due to the scarcity of atmospheric precipitation, overgrazing around rural settlements and undergrazing in remote pastures. In the first case, pasture vegetation is trampled down, which leads to a decrease in moisture reserves in the soil, degradation of the species composition of vegetation consumed by livestock and, ultimately, to a decrease in pasture productivity. As for remote pastures, in these areas, undergrazing has led to negative changes in the species composition of pasture vegetation, namely, there is an overgrowth of weeds and the spread of a large number of plant species that are not consumed by livestock. Over the past decade, in Karakalpakstan, the productivity of pastures adjacent to settlements has decreased by 23%, while the number and density of livestock have increased. It is expected that the projected impacts of climate change will reduce the productivity of pastures and thereby affect the productivity of livestock and, consequently, the investment / savings of a large number of the rural population of Karakalpakstan (about 98% of the livestock is in a private backyard).

Thanks to UNDP technical support through the UNDP / GEF Integrated Management Project, the Law on Pastures was approved in May 2019, where, for the first time, pastures were recognized as a nationwide wealth protected by the state. The law regulates the use and protection of pastures, measures for their rational use, approves the norms and terms of haymaking and grazing. Within the framework of international projects (UNDP / GEF, GIZ), approaches for the sustainable use of pasture resources (rotational grazing schemes, creation of primary seed plots, provision of conditions for pastoralists in remote pastures, creation of cooperatives for pasture management, etc.) were proposed and pilot-tested. However, widespread dissemination and application of successfully implemented approaches by the rural population in Karakalpakstan requires the development of a critical mass of demonstration projects showing locally applicable and sustainable approaches to pasture use. Farmers are often the most conservative and skeptical of any kind of innovation, even if an economically and environmentally more beneficial solution is offered. It takes time to convince and change the farmer's current vision of green approaches, to give an opportunity to "feel" and see them the declared positive effects and to move on to large-scale successful practices.

B. Inefficient use of water resources and a high percentage of wear and tear of irrigation and water distribution networks

The provision of the population with water in the region is strongly influenced by the shortage of water resources and the environmental factor. Providing the population with high-quality drinking water is one of the top priority tasks related to the region's environmental safety. According to official data, coverage of centralized water supply services in Karakalpakstan is 66.6%, including in rural areas - up to 60.5% and up to 72.0% in rural and in urban areas respectively. However, only 17% of users have regular access, and more than 65% of users receive water for less than six hours a day. The situation is especially difficult in rural areas, where regular equipment breakdowns are common, or there is no centralized water supply system at all. 33.9% of the population of the Republic of Karakalpakstan assesses the opportunity of access to drinking water as unsatisfactory, one of the highest percentages of dissatisfaction (41.8%) was noted in Karauzyak region.⁶ The main reasons for dissatisfaction are poor water quality (37.8%), irregular water supply (26.9%) and long distance to cover to the water source (19.0%). Also, there is no centralized hot water supply in rural areas as such. Currently, the region is provided with water from local surface and underground water intakes, where the level of purification does not always correspond to sanitary standards, the water is highly mineralized and has a high level of turbidity.

In addition to the low water availability in the region, due to the limited water resources, the practice of their ineffective use in agriculture remains widespread, including due to large filtration losses of irrigation systems and the unsatisfactory technical condition of hydraulic structures (HTS). Significant losses of water resources also occur as a result of application of ineffective irrigation methods, in particular, furrow irrigation, where water losses occur due to evaporation (2-5%), filtration (10-20%), surface discharge (10-15%) and may reach up to 25-30%. In addition, the

⁶ Report of the socio-economic survey of needs in the Aral Sea region. 2017. UNDP Uzbekistan.

dynamics of the actual water consumption exceeds the established irrigation rates, which indicates the lack of measures to rationalize water use.

C. Inadequate coverage of farms and dekhkan households with training and advisory services:

At the moment, the system of support and training for farmers in the country is in its infancy. In 2021 and 2022, government plans to open AKIS agricultural service centers⁷ across the country, including in the Republic of Karakalpakstan, which is the part of the implementation of the Strategy for the Development of Agriculture until 2030. To date, the first agricultural center has been opened in Yukori Chirchik district of Tashkent region. It is planned that the AKIS agricultural service centers will provide a wide range of services to farms, dekhkan farms, clusters, owners of household land, where can be offered both knowledge and necessary services through the public or private sector as well as necessary agricultural products ranging from large machinery and technologies to fertilizers.

D. Insufficient availability of financial instruments to finance small agricultural commodity producers:

Over the past decade, the ratio of agricultural subsidies to gross farm income has declined. However, support for agricultural production is still significant, leading to overuse of land, water, fertilizers and pesticides. Moreover, environmental criteria are not sufficiently integrated into agricultural support programs. The current actions of the government of Uzbekistan are aimed at a gradual decrease in the role of the state in the management of the agricultural sector, diversification of public expenditures in support of the sector, along with a gradual reduction of 100% of state financial support and increasing the investment attractiveness of the sector by creating clusters and involving private capital.

A Microfinance Services (MF) Market Survey under a UNDP / Adaptation Fund project identified the following challenges in accessing MF banking services. Banks provide a microfinance portfolio (MFP), in part concessional loans, only for limited types of entrepreneurial activities, such as greenhouses, the purchase of cattle and small cattle of highly productive breeds. At the same time, the financial resources of banks for the purchase of cattle and small cattle are limited. In addition, banks apply high interest rates, issuing a loan requires a large package of documents and often small farmers and dekhkan farms do not have the appropriate skills and knowledge, which limits their access to credit funds. A limiting factor is also a monopoly approach on the part of banks to the selection of a supplier of goods, works and services for the borrower.

According to a field study conducted within the framework of the Adaptation Fund project, a common problem is the problem of irrigation water scarcity. This applies to both agriculture and animal husbandry. One of the methods of water saving and sustainable agriculture is the organization of a greenhouse economy with drip irrigation, the cultivation of salt-tolerant plants. The practice of running greenhouses has isolated cases, since the respondents do not have the skills and sufficient information about such methods of water conservation and sustainable agriculture. For many farms interested in launching a greenhouse business and do not have their own funds, a bank loan is not profitable for the above reasons.

One of the important arguments that the MFP is not in demand for the introduction of water-saving technologies is the lack of relevant information and skills in climate resilient agriculture among the population. The result of the field study is the identification of high demand and the interest in microfinance services for adaptation to the effects of climate change, the introduction of water-saving technologies and climate-resilient agricultural practices.

⁷ The AKIS system of knowledge and innovation in agriculture was developed by the Ministry of Agriculture of the Republic of Uzbekistan and approved by the Decree of the President of the Republic of Uzbekistan No. UP-6159 "On the further improvement of the knowledge and innovation system, as well as the provision of modern services in agriculture" dated February 3, 2021

Livestock breeding in the pilot areas is mainly aimed at raising animals of the local breed, since the rural population does not have the skills to keep highly productive imported animal breeds. Due to the lack of sufficient equity capital, many farms do not fully use the potential for the development of animal husbandry. Preferential loans offered by banks are issued for the purchase of imported highly productive purebred animals at a price 3-4 times higher compared to local.

Despite the increase in lending to agriculture, there remains a strong demand for financial resources necessary to increase agricultural productivity and export potential in general. At the moment, the credit system is unsatisfactory, and the farmer — even if there is a desire and readiness, but there is a need of additional financial resources — cannot get a loan on acceptable terms. Therefore, there is a growing demand for new instruments and mechanisms for financing small and dekhkan farms.

E. Unsatisfactory material and technical equipment and methodological support of secondary, secondary-special and vocational educational institutions for the development of competencies and skills in demand on the market:

While Karakalpakstan has a fairly developed school infrastructure and has achieved good secondary school graduation rates, the quality and relevance of the education received can still be improved. According to the UNDP survey (2017), 13.1% of the population are not satisfied and 22.3% of the population are partially satisfied with the quality of general secondary education in the Republic of Karakalpakstan. The reasons for this dissatisfaction are the low quality of education (41.5%), insufficient provision of educational facilities (13.8%), remoteness from residential settlements (8.1%) and lack of qualified personnel (4.1%). 12.7% of the population of Karakalpakstan are dissatisfied in the sphere of secondary specialized and vocational education which is explained by the low quality of education (48.0%) and remoteness from residential settlements (46.0%).

Despite the wide range of study areas, young people find jobs mostly outside of their specialty. The reason is in the violation of traditional relations of educational institutions with personnel consumers, inadequate interaction of educational authorities with employment services. This indicates the imperfection of the methodological approach to determining the demand for specialists in the economy. According to the World Bank's assessment, "education and skills are not sufficiently market-oriented". And as noted by interviewed employers, there is an urgent need to improve the ability of the education system to teach skills demanded by businesses. Country empirical data also shows that developing problem-solving, critical thinking, communication and interpersonal skills enable workers to obtain better jobs.

In addition to the unsatisfactory methodological framework in the education system, the existing equipment in educational institutions of the republic is outdated and worn out. Internet communication is often either absent or very poor, which negatively affects the access of schoolchildren and students to modern information resources, competencies and knowledge, reduces the ability to communicate and exchange information / knowledge with peers, potential employers and, as a result, affects the competitiveness of young people of Karakalpakstan in the labor market.

II. Strategy

The **main goal** of the project is to increase the resilience of the local population and promote the green, inclusive development of the most vulnerable communities in the Aral Sea region to address emerging and long-term environmental and socio-economic problems of the region. The project strategy, as an alternative to the baseline scenario, is aimed at eliminating the barriers described in the above mentioned Development Objective section by implementing the following interrelated project components and achieving the designated results:

Component 1. Increasing the productive capacity of the agricultural sector and ensuring the resilience of local farmers and dekhkan farms to climate change:

- **Outcome 1.1.** An enabling legal, institutional and financial environment to enhance the productive capacity of local farmers and dekhkan households in light of the current and projected impacts of climate change

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- **Outcome 1.2.** Increasing the capacity of the system for the provision of modern agricultural services to farmers and dekhkan households in pilot districts
- **Outcome 1.3.** Introduction of "green" innovative agricultural practices, energy-efficient and water-saving technologies in three pilot districts of the Republic of Karakalpakstan with the involvement of experts and research institutes of Russia in order to strengthen the potential and material and technical base of farms and dekhkan households

Building the capacity of local farmers and dekhkan farms to export local products to Russia and other countries:

- **Outcome 2.1.** Supporting the process of entering agricultural products of farmers and dekhkan farms of the target area into the markets of Russia, Kazakhstan and other countries
- **Outcome 2.2.** Building the market capacity of local farms and dekhkan households and the opportunities for local youth to promote sustainable human development

- **Component 2.**

Component 3. Improving social infrastructure and ensuring access to basic social services:

- **Outcome 3.1.** Research the needs of communities, mobilize local residents, project local development plans
- **Outcome 3.2.** Implementation of the best Russian experience in the provision of clean drinking water to residents of remote settlements and educational facilities
- **Outcome 3.3.** Increasing the potential of educational institutions (secondary and vocational) and social facilities through the application of modern digital technologies

The activities reflected in all three components of the Project are aimed at achieving the objectives and results of the **UNDP Country Program (CP) in the Republic of Uzbekistan for 2021-2025 (project)**, namely:

- **Objective 2:** By 2025, the Uzbek citizens will benefit from a coherent and comprehensive implementation of the reform agenda through improved policy consistency, inclusive and evidence-based decision-making and financing for development in line with the nationalized SDGs
- **Objective 3:** By 2025, youth, women and vulnerable segments of population will benefit more from improved livelihoods, access to decent work and expanded opportunities from inclusive and equitable economic growth
 - *Final outcome 3.1:* Women, youth and people from remote rural areas benefit from improved skills, sustainable jobs and increased income
- **Objective 4:** By 2025, Uzbekistan's most-at-risk regions and communities will become more resilient to climate change and natural disasters, and will benefit from increasingly sustainable and gender-sensitive effective management of natural resources and infrastructure, decisive action to combat climate change, inclusive governance and environmental protection.
 - *Final outcome 4.4:* System innovations for integrated solutions in the Aral Sea region

As described above, the Government of Uzbekistan and the Republic of Karakalpakstan have adopted and are implementing a number of national and regional programs and strategies aimed at achieving sustainable development and "greening" key sectors of the economy, including agriculture, as well as targeted programs for the Aral Sea region, responding to current social, economic and environmental problems and needs of the region. In order to mobilize resources and coordinate the efforts of the international donor community in the implementation of targeted

programs and projects for the Aral Sea region, the MPHSTF was founded and has been successfully operating since 2018 for the Aral Sea region. All of the above mentioned facts reflect the application of an integrated approach on the part of the government and the international community in finding solution to current problems. However, the scale of the ecological disaster in the Republic of Karakalpakstan and the problems related to environmental, economic, food, social and health security accumulated over several decades require progressive, targeted actions aimed at further development of human potential in the region. The accumulated successful experience in the implementation of national and international initiatives, the established close cooperation of UNDP with the government of the Republic of Karakalpakstan, local communities, the private sector, international organizations will serve as a starting point for this project in solving the identified problems and barriers for target districts and communities.

The Transformation Theory (TT) of the project is summarized in [Figure 1](#). One of the key assumptions set out in the project TT for moving from project-level results to intermediate impacts and, ultimately, to long-term impacts, is the active involvement of local communities and partners in identifying key problems, finding and selection of the most optimal and locally applicable solutions, identifying existing gaps at the institutional and legislative levels, developing proposals for their minimization or elimination, and scaling up successful approaches in other parts of the region. The project strategy takes into account the climatic component of the region and the prospects for the development of agriculture in the context of climate change.

In order to increase the efficiency of project activities and strengthen the interrelation of its tasks, the Project activities will be concentrated in three pilot districts of Karakalpakstan: Karauzyak, Kegeli and Kanlynkul. The pilot areas were selected based on the following criteria:

- *Agricultural development index by the district (with a target value of 1,000): Karauzyak district (1.084), Kegeli district (0.828) and Kanlynkul district (0.542).* Districts with high, above average and intermediate levels of development were purposefully selected in order to apply different approaches and the possibility of subsequent replication in areas with similar indicators. In addition, it was taken into account the readiness of the regions for the development of export potential. Areas with a development index above the average were identified as the most suitable for the project objectives;
- *The employment rate of the population in the Republic is 27.9% official and 33.5% unofficial: Karauzyak district (30.4% - official data, 31.5% - unofficial), Kegeli district (24.8% - official, 36, 9% - unofficial) and Kanlynkul district (28.9% - official, 32.9 - unofficial);*
- *Unemployment rate: Karauzyak district (3.8%), Kegeli district (6.3%) and Kanlynkul district (7.2%);*
- *The percentage of low-income families: Karauzyak district (15%), Kegeli district (20%) and Kanlynkul district (15%)*

The project provides for the use of existing effective communication mechanisms with stakeholders at the level of government, farms and dekhkan households, local communities and the private sector. The project also advocates for greater participation of women and youth in planning and management at the local community level, as well as for enhancing the capacity and skills of local community organizations and NGOs. The approaches proposed in the project are based on already existing initiatives of the government and the international community, complementing and building in elements of institutional, legal, social, environmental sustainability to achieve long-term results.

The project reflects the actions aimed at introducing modern practices that contribute to combating land degradation, along with improving social infrastructure and digitalization of local communities, which helps to reduce regional and gender inequality, improve the living standards of the population in target areas and develop human potential.

According to The Theory of Transformation (TT), the proposed alternative to overcome the barriers that impede the achievement of truly sustainable development of local communities and human potential in the short and medium term is based on a collaborative and integrated approach, in line with the following basic principles of the MPHSTF:

- Focusing on prevention, risks and threats, identification of hazards, including systemic ones. Focusing on disaster prevention;
- People-oriented, taking decisions together with people and for people about their insecurity, needs and opportunities;
- The specificity of the context, an in-depth study of the situation, the development and adoption of the most appropriate decisions, taking into account local, national, regional and global realities that affect the situation.
- Application of integrated / holistic, transdisciplinary and analytical approaches, taking into account all human safety components. Development of multi-sectoral and systemic options for promotion and investment measures.

The project is also in line with the basic UNDP principles of social and environmental policy.

Principle 1: Gender equality and the women empowerment.

Rural women are significantly less competitive in the labor market, considering the limited number of locally available jobs, as well as a lack of educational training, vocational qualifications and skills. In addition, female-led farms or dehkan households account for only a small proportion. However, women living in rural areas often earn income by participating in family businesses, for example, working in a subsidiary farm or doing handicrafts. Also, gender stereotypes play a decisive role in the distribution of responsibilities in families, limit the activities of women, their use of resources and their influence on decisions made.⁸

The project's approach to promoting gender equality and the empowerment of women will pursue two goals. Firstly, gender equality issues will be on a special focus in all areas of the Project activity. And secondly, within the framework of the project Components 2 and 3, activities aimed exclusively at women will be carried out. It is planned that not less than 10% of the budget of these components will be invested in direct support for solving gender problems, supporting women entrepreneurs, creating jobs for women, etc.

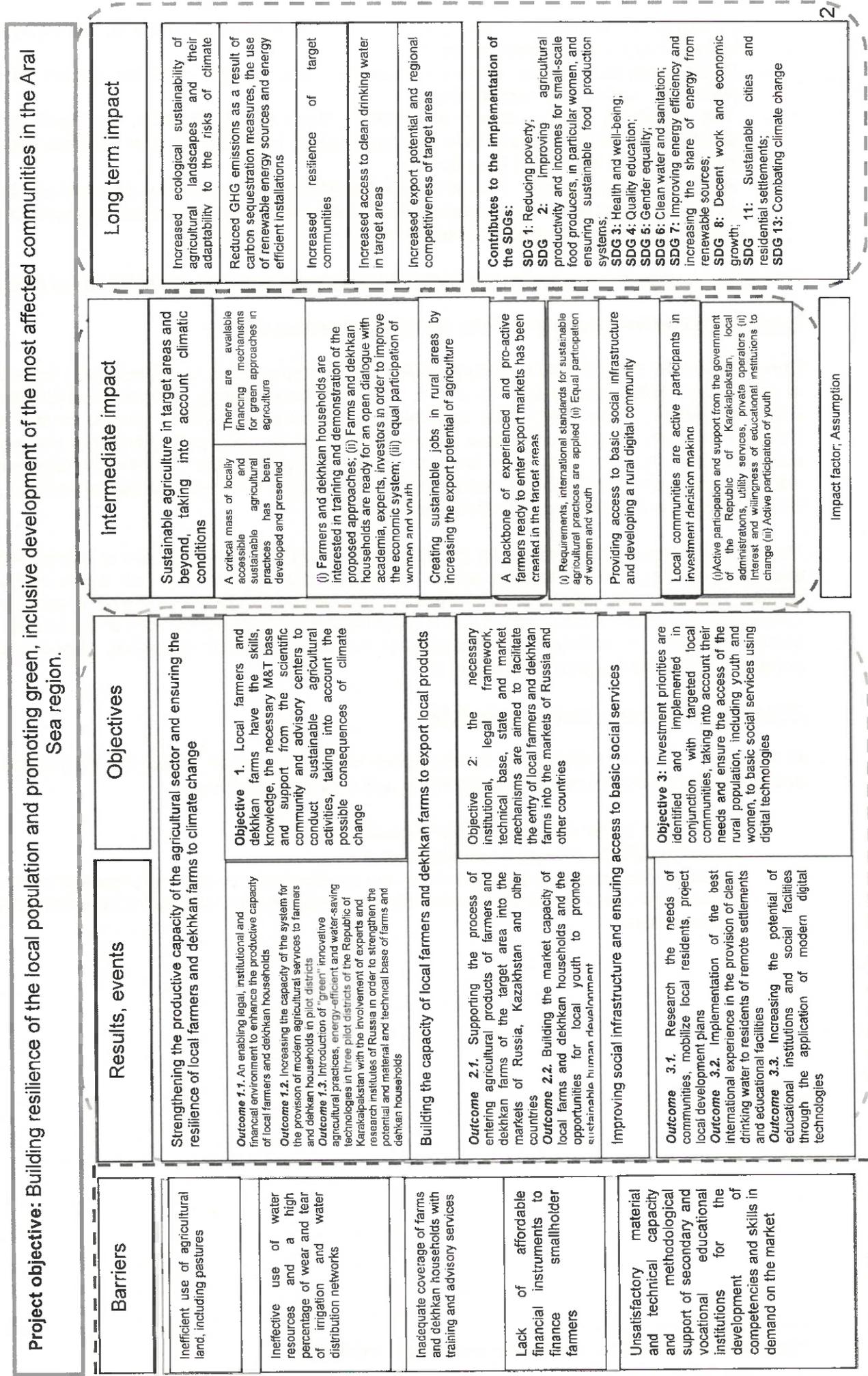
Principle 2: Environmental sustainability

At the level of implementation of demonstration projects in target areas, the Project will support activities that are environmentally sustainable and include the following:

- Application of resource-saving agricultural technologies
- Ensuring climate change adaptation activities
- Ensuring that risks are accounted for and project investments are protected from potential disaster risk as a result of informed decisions about likely climate risks, vulnerabilities and opportunities

⁸ Uzbekistan: Updated Country Gender Assessment. 2018. ADB

Figure 1. Theory of Project transformation



III. Results and partnerships

Expected results

The project will support and contribute to the implementation of the following **Sustainable Development Goals (SDGs)**:

- **SDG 1:** Reducing poverty;
- **SDG 2:** Improving agricultural productivity and incomes for small-scale food producers, in particular women, and ensuring sustainable food production systems;
- **SDG 3:** Health and well-being;
- **SDG 4:** Quality education;
- **SDG 5:** Gender equality;
- **SDG 6:** Clean water and sanitation;
- **SDG 7:** Improving energy efficiency and increasing the share of energy from renewable sources;
- **SDG 8:** Decent work and economic growth;
- **SDG 11:** Sustainable cities and residential settlements;
- **SDG 13:** Combating climate change.

The aim of the project is to mitigate interrelated risks to human development and increase the resilience of target communities in the Republic of Karakalpakstan affected by the Aral Sea disaster, based on an integrated and multilateral approach. The overall goal and objectives of the project are fully consistent with the program framework and the Matrix of results of the MPHSTF for the Aral Sea region, since they contribute to the elimination of multiple risks (environmental, social, economic) for people living in the most vulnerable regions of Karakalpakstan.

The project consists of **three interrelated and complementary tasks**, the complex solution of which is aimed at achieving the final goal of the project, while each of the project tasks is considered as a separate integral component of the project:

- **Task 1:** Increasing the productive capacity of the agricultural sector and ensuring the resilience of local farmers and dekhkan farms to climate change
- **Task 2:** Building the capacity of local farmers and dekhkan farms to export local products to Russia and other countries
- **Task 3:** Improvement of social infrastructure and ensuring rural communities' access to basic social services

Qualitative and quantitative indicators of the achievement of the designated tasks and results of the Project are reflected in the [Results Matrix](#).

Task 1. Increasing the productive capacity of the agricultural sector and ensuring the resilience of local farmers and dekhkan farms to climate change.

Under Objective 1, the following results will be achieved:

Outcome 1.1. An enabling legal, institutional frameworks and financial environment to enhance the productive capacity of local farmers and dekhkan households in light of the current and projected impacts of climate change

Since the Republic of Karakalpakstan is a high risk agriculture zone in terms of climate and water resources, the project will study the issues of the existing crop insurance system and develop appropriate recommendations for the Ministry of Agriculture of the Republic of Uzbekistan and the Council of Ministers of the Republic of Karakalpakstan.

The project, taking into consideration the best practices of other countries, will work out the issue of creating material and technical parks (MTP) or clusters on the basis of a farm cooperative, when the cooperative provides its members with seeds, equipment, fertilizers, provides material and

technical support, and also acts as a guarantor of the safety transferred to the balance of the cooperative or cluster of material objects. At the beginning of the project, a little research will be done to identify the mechanisms for the transfer of equipment and technology provided by the Project under Outcome 1.3 to ensure the sustainability of the results achieved at the end of the project.

The project will work out the issue of the possibility of exempting a farmer or a cooperative of farmers from land and water taxes (surface and groundwater) for a period of 3-5 years in the case of installing on their land of "green" alternative technologies (solar panels, panels, etc.) offered by the project within the framework of Outcome 1.3 in order to use the saved funds for the subsequent maintenance of this equipment. Unfortunately, the Republic does not have a properly established system of maintenance and repair of this kind of equipment, including the replacement and repair of solar panels batteries as well as related infrastructure and due to the high costs, farmers are not willing to pay for the services provided, which poses a big risk for the sustainability of the Project results. Therefore, a short assessment document will be prepared with recommendations for the development of services in the field of maintenance and repair of agricultural equipment, including equipment using alternative energy sources.

The project will study the best practices of Russia, Kazakhstan and other countries for additional financial instruments / mechanisms for lending, leasing and financing farmers (other than government support) on more favorable terms for farmers (for example, credit partnerships, revolving funds, etc.) as well as the experience of the "Project for the Development of Horticulture in Uzbekistan" for 2014-2023, with the financial support of the World Bank to provide farmers and agricultural firms with access to financing.⁹ In addition, the Project will build on the mechanism proposed under the UNDP / Adaptation Fund project to ensure household and rural community access to microfinance services and a developed roadmap to ensure broad access of agricultural producers to such financial mechanisms in order to promote climate-resilient agricultural practices. Based on the studied material and taking into account the legal and institutional context of the country, a document in the form of a policy brief with basic assessment and recommendations for Uzbekistan will be worked out within the framework of the Project.

In support of the AKIS system development (Output 1.2) in Karakalpakstan, the project will take a closer look at the possibility of creating a revolving or renewable fund. Namely, the following activities will be implemented:

- studying the experience of application of revolving funds in other countries (Russia, Kazakhstan, USA, Europe);
- analysis of the legal framework for the possibility of using this financial mechanism in the country, and development of recommendations for making appropriate changes to the regulatory and methodological framework;
- analysis of licensed microfinance organizations / institutions operating in the market for their readiness and competence to pilot a revolving fund with a focus on green and energy efficient technologies for the agricultural sector.

Outcome 1.2. Increasing the capacity of the system for the provision of modern agricultural services to farmers and dekhkan households in pilot districts

At the moment, within the framework of the UNDP project and the Adaptation Fund, three consulting centers have been created in Karakalpakstan, which in the future will be included in the AKIS system: (i) at the Nukus branch of the Tashkent Agrarian University, (ii) at the agricultural college of Kegeli region, (iii) at LLC in Kanlynkul district. The adaptation fund project has provided three centers with technical equipment, including equipment for soil and water analysis, which allows to provide a small range of services to farmers today. At the moment, the Nukus branch of the Tashkent State Agrarian University is obtaining a license to provide this kind of services. The Project will provide institutional assistance to the two other branches in pilot districts on licensing agricultural services.

⁹ <https://projects.vsemirnyjbank.org/ru/projects-operations/project-detail/P133703?lang=ru>

The AKIS system included all scientific-research institutes working in the agricultural sector and having branches / centers in the regions, including in Karakalpakstan. Each branch of the scientific-research institute owns experimental fields, which will also be included in the AKIS system. In parallel with the activity of the Ministry of Agriculture of the Republic of Uzbekistan on the foundation of agricultural centers in Karakalpakia, as part of the demonstration activities of the Project for the introduction of innovative and "green" technologies (Outcome 1.3) the pilot sites of research institutes will also be used for the sustainability of project results and subsequent replication of successful approaches through the AKIS system in other regions of the Republic.

There are services like assessing the quality of soil, water, prospective assessment of yields, recommendations on the composition of cultivated crops, a grazing scheme, etc that farmers are ready to pay for right now. The project will initially assess the existing needs of farmers and dekhkan farms in the pilot districts in the form of questionnaires and interviews to determine the services are most in demand and for which the farmer is potentially willing to pay. This list will constitute a range of services for the short term prospect. At the same time, based on the survey results, lists of medium and long term services will be compiled in order to progressively build up the potential of AKIS consulting centers.

To develop the capacity of the AKIS regional advisory centers, the Project will offer and popularize a service among farmers for predicting the risk of water scarcity and drought. Approaches were developed within the framework of the UNDP project and the Adaptation Fund that allow to forecast the water content of the Amu Darya River (8 and 12 months) and, depending on the expected water availability, to develop point recommendations for farmers. This service will be tested on pilot sites as part of Outcome 1.3 on the introduction of innovative and effective agricultural technologies and approaches. Also, targeted assistance to farmers and dekhkan farms in forecasting diseases and pests will be tested.

There is an acute problem with the availability of competent personnel in the three established consulting centers. In this regard, the capacity of the centers in Kegeli and Kalynkul districts will be strengthened in the provision of consulting and professional services through the conduct of specially designed trainings, taking into account the identified needs among local farmers and dekhkan households. In addition to the development of professional competencies (crop production, horticulture, animal husbandry, irrigation, marketing, logistics, etc.), the training program will also include trainings for staff on the development of communication skills, namely communication skills and attracting the target audience, delivering information in a convenient and understandable way, request processing, psychological aspects of interaction with the target audience¹⁰ etc. In terms of developing the professional competencies of consulting centers, the Project will closely cooperate and involve specialists from the IFAS, the A. N. Kostyakov All-Russia Research Institute of Hydraulic Engineering and Land Reclamation (ВНИИГиМ), the Russian Scientific-Research Institute "Raduga" (ВНИИ «Радуга») and the Russian Scientific-Research Institute of Melioration Problems (РосНИИПМ). In addition, a ToT program will be worked out to provide the newly created centers with additional business consulting services for farmers in pilot regions (registration of a legal entity, legal aspects of running agribusiness, business planning, financial management, etc.).

For the first time, a system of interconnection and open dialogue of farmers, consultants of agricultural centers and scientists will be tested on the example of Israel within the framework of the Project. The Project will support annual communication meetings with the participation of farmers, employees of agricultural service centers from pilot districts, representatives of leading research institutes of the Republic of Uzbekistan and Russian Federation, specializing in the main agricultural areas of pilot districts, IFAS, the private sector, where farmers can voice their needs while research institutes, in turn, see how the existing methods correspond to the needs of farmers, ask questions, establish partnerships. Based on the results of the communication meetings, the staff of the research institutes will be able to make corrections to the already developed or propose new methods, and the agricultural service centers will bring the methods to

¹⁰ According to UNDP experts, the behavioral pattern and psychological barriers (conservatism, not optimistic about new technologies, lack of individual confidence, in professional skills, etc.) of farmers in the Republic are often stay on the way of the development of the agricultural sector.

the farmers in a language they understand through training and practical application with the help of consultants. Thus, research institutes and regional centers for agricultural services will be able to form products and services that meet the needs of the target audience and will be able to gradually expand the range of services provided and offer the chargeable services.

Outcome 1.3. Introduction of "green" innovative agricultural practices, energy-efficient and water-saving technologies in three pilot districts of the Republic of Karakalpakstan with the involvement of experts and research institutes of Russia in order to strengthen the potential and material and technical base of farms and dekhkan households.

Activities aimed at achieving this result will consist of three main units:

1. *Extensive consultations* with farmers, dekhkan farms, khokimiyats, branches and centers of research institutes, representatives of the IFAS, various public groups in three target districts (Karaulyak, Kegeli and Kanlynkul) in order to agree on the criteria for selecting land plots and farms for the introduction and subsequent replication of "green" agricultural practices, water saving and energy efficient technologies in the Republic. Preliminary criteria for the selection of pilot land sites / partners for the implementation of innovative green technologies include:

- There is a significant water shortage (below the average for the Republic of Uzbekistan);
- Interested, proactive, active partners (farms or dekhkan farms); skilled managers who have a credit of trust and respect among the local population;
- Farms or dekhkan households with sufficient financial stability;
- Farmers or dekhkan households interested in the development of their farms, but currently experiencing some financial, material and technical level barriers; The project will serve as a trigger for their subsequent development;
- Readiness of farmers or dekhkan households to unite in order to consolidate the results of the Project;
- A group of farmers or dekhkan households use water from the same canal requiring reconstruction / modernization;
- The presence of a connecting transport artery in order to ensure access to the markets of Russia, Kazakhstan and other countries;
- Whenever possible, the selected pilot sites should be linked to the pilot project of UNDP and the Adaptation Fund and / or the Joint Program of the IFAS Phase-1 and Phase-2 in order to maintain the existing activity and the achieved results;
- Availability of appropriate infrastructure (roads, material base, communications, etc.) and the convenience of the pilot area for monitoring and evaluation, as well as for demonstrating the results of the Project through field trips, seminars, trainings and "Field Days" and other activities related to the project agenda.

Also, during the consultation period, the project will agree with the khokims of the pilot districts and clusters on the project's action strategy for Outcome 1.3 in order to provide flexibility in implementing the pilot program in the target districts.

2. Determination of the thematic focus of the selected demonstration sites and implementation of the proposed approaches:

A. In the category "modernization / reconstruction of irrigation infrastructure and the use of drip irrigation, greenhouses for growing melons and vegetables" in whole, it is planned to identify 3 demonstration land plots, 1 in each target area. This project proposes to move away from the demonstration in geographically scattered fields¹¹, and, using an integrated approach to the reconstruction and modernization of the irrigation infrastructure (channel), combine the fields of 4-

¹¹ At the moment, a large-scale introduction of various technologies, including drip irrigation method, is underway in the country, but the farmers implement the technology in their own field (10 hectares), installing a pump, sump, filter, transformer, which significantly increases costs for the farmers and reduces effectiveness of this technology.

6 farmers into an array of 100-150 hectares. The project will select a small channel, such as the Water Consumer Association channel, and

- i. *As part of the first stage, work will be carried out to restore destroyed parts or to build water distribution structures, gates and water measuring devices will be installed to establish a water metering system. The experience of the UNDP project on the Syrdarya river has shown that the installation of concrete water distribution structures along with gates and water meters reduces water losses by almost 2 times.*
- ii. *As part of the second stage, if necessary, the canal bed will be cleared of vegetation, based on an expert assessment, work will be carried out to screening the canal bed with a film, or the method of mulching the channel bed with clay will be applied in order to prevent the growth of vegetation.*
- iii. *As part of the third stage, the cultivation of melons and vegetables using water from the canal and with application of drip irrigation will be demonstrated on the created array (100-150 hectares). The areas proposed will be preliminarily studied for water availability, topographic work will be carried out and projects will be prepared indicating the location of the settling tank, pumping station, etc. Within the framework of the project, a pumping station, a settling tank, filters, plastic pipes for water supply to partner farms, as well as inter-row pipes for drip irrigation, fertilizer installations will be built or installed on each of these zones.*
- iv. *In addition to growing vegetables outdoors, the Project will support the creation of energy efficient greenhouses in order to extend the vegetation season, and thereby increase productivity.*

The proposed model (a zone uniting several farmers) is the most economically justified since it allows farmers to reduce the cost of purchasing the necessary equipment, maintaining and servicing equipment, etc. In addition, there is a scaling effect. Also, the proposed model is most suitable for subsequent replication on large agricultural areas.

B. In the category of "pasture breeding and restoration of natural pastures", the Project also aims to work with livestock breeders who are already part of pasture cooperatives or who are ready to form a cooperative in each of the target districts. The previous experience of UNDP Uzbekistan in the framework of the UNDP / GEF integrated planning project has shown sufficient effectiveness of such an association of livestock breeders. In this respect, the Project proposes a demonstration of the following technologies and equipment:

- i. *the use of compact feed-producing complexes with hydroponic installations for growing green mass (the installation is designed for the production of 500 kg / per day), which will reduce the load from 500-600 hectares of natural pastures. Feed with the added green mass is absorbed by livestock by 90% (with the digestibility of traditional feed by 40-50%). The application of this approach within the framework of the UNDP Adaptation Fund project in Bukhara and Samarkand gave an increase in live weight by 1 kg 200 g / per day. The complex is equipped with a reverse osmosis system, feed choppers to improve the feed mixture, as well as a reactor for the production of a whole milk substitute to maintain and reduce the mortality of young animals;*
- ii. *creation of fenced areas for primary seed production and perennial forage crops (2-3 hectares). The experience of creating plots of primary seed production has shown its effectiveness within the framework of the GIZ and UNDP projects and is financially cost-effective for local communities. In addition, there is an acute shortage of feed both in the country and in the region. The primary seed production plot can be transferred to pastures in 2-3 years and a new seed production plot can be created from existing materials and seeds. Within the framework of this direction, the Project will support the cultivation of alfalfa using the seed fund in Karakalpakstan. Alfalfa is a salt and heat tolerant crop, consuming little water and quality forage and fodder for animal use;*
- iii. *development of a rotational grazing scheme for pastures on plots of 30-40 hectares;*
- iv. *use of markings to track livestock grazing within the landfill boundary, which allows remote monitoring of the rotational grazing scheme (following the example of the Karakum project);*
- v. *restoration of canals, wells, collectors, boreholes (suspended or self-flowing) using renewable energy sources (for example, a solar-powered pump for shallow wells, up to 40 m) or energy-efficient technologies (for deeper wells, boreholes) for livestock watering;*

- vi. Using the service of early forecasting / warning, in case of drought or water shortage, degraded pastures will be supplied with water during the growing season (for example, from self-flowing wells). The results of the UNDP project and the Adaptation Fund allowed to increase the productivity of pastures for almost 3 times, significantly increase the species composition and harvest dry fodder (hay). On the restored pastures, rotational grazing schemes will also be developed to conserve and serve them.
- vii. use of mobile trailers for transhumance pastures powered by solar energy and providing comfortable living conditions for livestock breeders.

In addition to the investment component, the Project will provide technical assistance to pasture cooperatives (a) in compilation of 6-7-layer GIS maps (number of livestock, pastures, wells, geobotanical data, etc.) for target areas, which are an important tool for the local administration and the livestock breeder themselves to use and restoration of pastures; (b) in the joint development of pasture management plans and seasonal grazing maps in order to restore degraded pastures in the medium and long term prospects. The project will also work out the issue of interaction of pasture cooperatives with the local administration (khokimiyats). If necessary, necessary amendments will be worked out and made to the Law on Pastures in order to ensure the autonomous functioning of cooperatives (as legal entities) and the possibility of transferring the equipment purchased within the Project to the balance of cooperatives for the sustainability of the achieved results.

3. Monitoring the implementation of demonstration projects, training, documenting and replicating the experience and results

When implementing the proposed "green" approaches in target areas, the Project will actively involve experimental sites of research institutes for the sustainability of project results and subsequent replication of successful approaches through the AKIS system in other areas of the Republic. The consultation centers established in the target districts will be used as a base for training farmers, dekhkan households, livestock breeders on the proposed technologies, effective planning and management, etc.

The project will widely use Field Days, exchange visits, seminars and other awareness-raising and training events with the involvement of representatives of the local administration, the Ministry of Agriculture, Scientific-Research Institutes, IFAS, AKIS centers, the private sector to comprehensively highlight the results of demonstration projects and disseminate successful experience.

For each pilot project, a baseline and planned outcomes will be determined, correlated with the indicators of the Project results matrix. The project team will carry out regular visits to pilot sites in order to monitor the progress of work and timely solve the existing problems. Data collection, description of implementation stages, problems encountered, solutions found, partners' interaction, results obtained, economic and environmental efficiency of demonstrated technologies and approaches, as well as recommendations for replication - all this will be formalized in an appropriate document and transferred to the local administration and the Ministry of Agriculture of the Republic of Uzbekistan for familiarization and making appropriate decisions.

Objective 2: Develop the capacity of local farmers and dekhkan farms to export local products to Russia and other countries

In carrying out activities under Objective 2, special attention will be paid to facilitating the development of the export potential of local farmers and dekhkan households, reducing trade barriers, identifying products that are most in demand in the markets of Russia, Kazakhstan, as well as some European and Asian countries. Karauzyak district was identified as a pilot one for the implementation of Objective 2 due to the fact that at the moment farmers already have experience and good skills in growing agricultural products and are ready to cooperate and expand their activities by entering export markets.

In order to successfully implement the proposed activities and avoid duplication, the Project will establish close cooperation and use the experience and already existing results of the current

UNDP project on the "Trade Facilitation in Central Asia", 2020-2022, focused on promoting Uzbekistan's accession to the WTO and promotion of export capacities of small producers in Kashkadarya and Surkhandarya regions.

the following results will be implemented under Objective 2:

Outcome 2.1. Supporting the process of entering agricultural products of farmers and dekhkan households of the target area into the markets of Russia, Kazakhstan and other countries

Uzbekistan is a major producer of fruits and vegetables with a global potential, the largest supplier of apricots, a producer of cherries, melons and vegetables. Both fresh and processed vegetables and fruits are in demand on the market. Processed products (dried fruits, pastilles, jams, preserves, etc.) have a high added value and their production creates additional jobs. Growing fruits and vegetables is reportedly one of the most lucrative activities, allowing dekhkan and smallholder farms in Uzbekistan to specialize in more profitable crops and generate more income from cultivated land. In addition, the increase in crops for fruit and vegetable crops, the construction of cold-storage warehouses and other facilities for storing and processing the harvested fruit and vegetable products is fully supported by the Government of the Republic of Uzbekistan within the framework of the Agricultural Development Program for 2021-2025.

As part of this outcome, (i) the potential and requirements (international food safety and good agricultural practices such as Global GAP, HACCP, FSC, etc.) for entering the Russian market, as well as the markets of other countries for the export of local products will be studied; (ii) the state and potential of transport and logistics infrastructures for exporting products to the markets of Russia, Kazakhstan and other countries will be assessed; (iii) niche products that are sustainable, future-proof, and contribute to job creation and the value chain will be identified; (iv) gaps / barriers in national legislation to ensure the set of niche products to the stated requirements will be verified; (v) gaps in the knowledge and competencies of local farmers and dekhkan farms in the field of modern technologies and agricultural practices for the cultivation, collection, storage and processing of niche products will be defined; (vi) the capacity of certification and laboratory research institutions in the Republic of Karakalpakstan will be assessed and needs and gaps identified. Based on the assessment results, a laboratory was partially supplied with the necessary equipment; (vii) a roadmap for the development of the export potential of the target area was implemented.

Outcome 2.2. Enhancing the market potential of local farms and dekhkan households and the capacity of local youth to promote sustainable human development

Within the framework of this result, the implementation of the following activities is proposed:

- i. Providing support to local farms and dekhkan households in the use of modern innovative technologies in agriculture based on Russian developments and experience to increase the productivity of target products and value chains.
- ii. Implementation of measures to introduce advanced agricultural practices that meet international compliance standards.
- iii. Supporting interested farmers / entrepreneurs in the implementation of international standards such as Global GAP, HACCP, FSC, etc.
- iv. Based on the AKIS network, organizing training for interested farmers / entrepreneurs on business planning, certification, storage, packaging, transportation of export products, marketing, financial and legal aspects of entering the markets of Russia, Kazakhstan and other countries, access to credit funds and other sources of financing, etc.
- v. Providing support to women entrepreneurs and rural youth by (a) conducting targeted workshops to identify barriers that arise on their way, (b) preparing recommendations for local administrations to remove voiced barriers, (c) helping local administrations in developing a youth support program in the field of entrepreneurship (start-ups, business incubators, technology parks).

It is planned that the International Innovation Center for the Aral Sea region and the centers of agricultural services of the AKIS network will be used as platforms for demonstration and familiarization with "green" technologies and practices, holding meetings, training seminars and

conferences on the development of export potential with the participation of Russian specialists and experts.

Objective 3: Improving social infrastructure and providing rural communities with access to basic social services

In order to successfully implement Objective 3 and to avoid duplication of proposed activities, the Project will establish close cooperation with the following projects: (1) A project by UNDP, UNFPA and FAO funded by the MPHSTF "Promotion of the creative and innovative potential of youth and vulnerable populations by strengthening their adaptive capacity to address the problems of economic and food security in vulnerable communities in the Aral Sea region" namely in terms of the implementation of Objective 3 to increase the capabilities of vulnerable remote communities through the use of modern digital technologies; (2) UNDP and UNESCO project funded by the MPHSTF "Addressing the human insecurities in the Aral Sea region through promoting sustainable rural development" in terms of providing communities with access to drinking water; (3) Joint Project of the Government of the Republic of Uzbekistan and the Islamic Development Bank on "Sustainable Development of Rural Areas".

Outcome 3.1. Study the needs of communities, mobilize local residents, develop local development plans

To achieve this result, the UNDP local community mobilization methodology will be used. This methodology has proven to be effective as a mobilization and planning method at the community level. Along with identifying the needs and requirements of the local population through the Participatory Rural Appraisal (PRA) method, the necessary information on communities including demographic data, information on MSG infrastructure, buildings, housing, household and business will be collected, plans for territorial development of settlements will be analyzed (master plan of a settlement, a project of an architectural and planning organization territory (APOT)), passports of rural citizens' gatherings (RCGs) and Makhalla citizens' gatherings (MSGs) and consultation meetings will be held with the participation of all groups of the population residing in three target districts of Karakalpakstan. Based on the identified needs and priorities, Community Development Plans (CDPs) will be developed for each target district, which will act as a roadmap for the district administration with the aim of further incorporating priority areas into district development plans.

Building on the CDP plans and identified priorities, the Project will facilitate the implementation of community-based projects related to improving social infrastructure, including rehabilitation and further development of social and educational institutions so they can provide social services in the community using digital technologies and innovation under Outcomes 3.2 and 3.3.

Outcome 3.2. Implementation of the best Russian experience in the field of provision of clean drinking water to residents of remote settlements and educational facilities

The assessment and needs identified will identify marginalized communities in three target districts with low access to basic services (water, electricity). The project will provide targeted assistance to these communities to ensure access to good quality drinking water through the application of various advanced technologies, including solar collectors, photovoltaic power plants, energy efficient pumps working on solar and electric energy, and a reverse OSMOS system. UNDP Uzbekistan has achieved a number of successful results in the use of alternative energy sources for remote marginal settlements. For example, the UNDP Adaptation Fund project in a remote settlement used a 3 kW photovoltaic power plant and a reverse OSMOS system to supply and purify water from a self-flowing well and provide the population with good quality drinking water.

Depending on the identified needs, the Project can provide assistance in the reconstruction of the water distribution and treatment system at a parity financial investment from the local administration and the state utility company. For example, through the financing of the State Program, the network will be reconstructed and a purification system installed, while the Project will implement measures to install a water supply network within the community. A precedent for such cooperation was proposed for two communities in Takhtakupyr region and is currently being implemented within the framework of the UNDP-UNESCO Project funded by the MPHSTF

"Addressing the human insecurities in the Aral Sea region through promoting sustainable rural development", and is proposed for replication in this Project.

In order to ensure the sustainability of results at the community level in the long term, the Project will support the creation of a community water users' association in the form of a non-profit organization that will be responsible for the timely collection of payments from water users in the community to cover the costs for electricity, labor, etc. and maintaining the rehabilitated water supply systems by purchasing consumables. The association will determine the cost of treated water based on the required facility maintenance costs and staff salaries. This approach was implemented in the Fergana Valley within the framework of the Swiss Agency for Development and Cooperation (SDC) water project and proved to be effective in ensuring the sustainability of the achieved results.

Also, educational facilities (secondary and vocational colleges, lyceums) in target districts experiencing problems with access to drinking water will be identified to make these facilities ready for project activities within the framework of the Outcome 3.3. Depending on the condition and problems identified, the range of proposed interventions may include but not be limited to the following: (i) connecting drinking water to the facility; (ii) water purification using the OSMOS system; (iii) installation of a hydrolysis unit for the disposal of highly concentrated saline solution for the production of sodium hypochlorite, which is one of the most effective and safe disinfectants and COVID control agent¹²; (iv) installation of energy efficient boilers using solar water heaters for hot water supply.

The project will widely use the experience and developments of the leading Russian research institutes, attract specialists to provide consulting and technical support in the implementation of the approaches proposed by the Project.

Outcome 3.3. Increasing the potential of educational institutions (secondary and vocational) and social facilities through the use of modern digital technologies

As part of Outcome 3.3, the Project will aim to apply a multi-stage approach for the development of rural digital communities and the introduction of modern IT technologies in secondary special and vocational educational institutions through:

A. Expanding access to sustainable internet for target communities: The project will work with private mobile operators to provide fiber-optic internet coverage to target communities. It is planned to cooperate with Internet providers / mobile operators, the Ministry for the Development of Information Technologies and Communications of the Republic of Uzbekistan. The project will support the provision of Internet cables or the installation of very small aperture terminals (VSATs) to provide Internet access (Wi-Fi) to various groups of the population, for example in single window centers for obtaining necessary public services through a single portal or in youth centers for job search using online employment resources, etc. The project will use the experience gained from the existing UNDP, UNFPA and FAO project on digitalization of rural communities, as well as the experience of the UNDP project in the Philippines on establishing free Wi-Fi access for rural communities.

Internet access will provide more opportunities for all groups of the community - for farmers and dehkan households - access to various applications for agricultural planning and monitoring, e-commerce, etc.; for teachers, schoolchildren and students, especially in the process of distance learning - improved access to educational Internet resources and materials, the use of various programs (Zoom, Google Meeting, Skype, etc.) for learning and communication.

E. Implementation of elements of smart schools in targeted educational institutions: Initially, the Project will assess the status (technical, sanitary) of the target facilities in the three pilot districts, identify the main needs and problems. The set of proposed modernization measures may include:

¹² Usually, the highly concentrated solution was discharged into the sewerage or drainage system, thereby deteriorating the quality of the water [Comment of the expert of the UNDP project and the Adaptation Fund].

(i) partial renovation of the future e-class; (ii) energy audit and installation of energy efficient light bulbs that provide the necessary lighting in accordance with EE standards for educational institutions; (iii) installation of equipment to provide Internet access; (iv) equipping the e-class with modern IT equipment (interactive whiteboards, panels, computers, touch screens, tablets) with Internet access for professional training and increasing the digital literacy of students. Within the framework of this direction, the Project will prepare manuals for teachers on the use of IT technologies in the educational process and organize trainings in order to improve the professional qualifications of the teaching staff. In addition, training modules for students will be updated together with the teaching staff and invited experts. The focus of the training modules will be the development of professional skills and competencies among young people in demand in the market. Within the framework of this direction, the advanced experience of Russian educational institutions for the implementation and effective use of IT technologies in the educational process will be taken into account and used.

On the basis of the modernized classrooms, courses on IT literacy will be organized for various groups of the population with the aim of expanding employment opportunities, obtaining various social services, training, developing e-commerce, etc.

Resources required to achieve expected results

In order to ensure the successful implementation of the Project activities and achievement of the planned results, a project team will be hired to support the national and regional partners of the Project. The activities of the project team will be implemented in accordance with the approved Multi-year work plan and budget of the Project. The Project Coordinators for each of the three components, together with the Project Manager, will carry out annual planning, budgeting of Project activities, procurement of the necessary equipment and services planned under the Project, in accordance with UNDP corporate policies and procedures.

The project will ensure a close partnership with the MPHSTF programs for the Aral Sea region (in terms of coordination of donor activities and funding), with existing projects of UN, UNDP, international organizations (FAO, GIZ, USAID, European Commission, etc.), development banks (WB, IDB, etc.) to ensure successful achievement of results.

Within the framework of Components 1 and 3, it is assumed that co-financing from farms and dekhkan farms in the implementation of demonstration projects and local administrations, target communities, utilities in the provision of clean drinking water will make up at least 50%. The project will strive to achieve the declared parity financial investment from the direct beneficiaries. Information on the implemented co-financing will be reflected in the annual reports of the Project.

The contribution of the Ministry of Agriculture as an Implementing Partner of the Project will be expressed in financing activities to create the AKIS system in the Republic of Karakalpakstan, promote green technologies in the agro-industrial complex and provide support for the successful implementation of the Project.

Supervision over the progress of the Project will be carried out by the Project Council by reviewing annual reports on the results achieved, budget utilization, problems and risks encountered. Also, members of the Council will take part in monitoring visits to the project area in order to carry out objective control over the implementation of the Project activities in the places and meet with the beneficiaries. The project team will be responsible for ensuring the quality and timeliness of the planned activities. The UNDP Country Office in Uzbekistan will be responsible for the provision of operational support services for the project, including (i) human resource management, (ii) financial services, (iii) procurement of consulting services and equipment, (iv) logistics and administrative services.

Partnership

The work under the project will be carried out both at the national and regional levels. The work at the national level will be carried out with the support of the Ministry of Agriculture as the Implementing Partner of the project and will be aimed at aligning the legislative and institutional

framework for the successful implementation of sustainable agricultural practices and green technologies and creating an enabling environment for the development of export potential in the Republic of Kazakhstan. This direction will be reflected at the regional level, requiring close cooperation with the government of the Republic of Kazakhstan and regional khokimiyats. Active participation from the Research Institute, the Regional Center for Irrigation and Water Problems, IFAS, AKIS centers, the private sector is expected to comprehensively highlight the results of demonstration projects and disseminate successful experience.

Within the framework of this proposed project, it is planned to establish close cooperation with the coordinating body (on the basis of the A. N. Kostyakov All-Russian Research Institute of Hydraulic Engineering and Land Reclamation) "A special project of the Russian Foreign Ministry to provide donor and technical assistance to the Central Asian states to overcome the consequences of the environmental crisis in the Aral Sea region, development of water management, strengthening of climate resilience and support of the International Fund for Saving the Aral Sea" for 2022-2030. This UNDP project harmoniously fits into the architecture of the Special Project of the Ministry of Foreign Affairs of the Russian Federation. However, unlike the latter, which has a technical bias and is focused on the introduction of modern hydraulic technologies, the UNDP project is focused on creating favorable socio-economic conditions in Karakalpakstan in order to support the population in need and ensure sustainable development of the region. Project activities with a technological component will be implemented in close coordination with the activities of the Special Project in order to avoid duplication of efforts allowing rationally allocate resources to other priority areas. If it is necessary to adjust such activities, taking into account the assistance from the Special Project, they will be submitted for consideration by the Council of this project. It is planned to invite representatives of the A.N. Kostyakov All-Russian Research Institute of Hydraulic Engineering and Land Reclamation to take part in the Council of this project.

Project activities to increase the productive capacity of the agricultural sector (Component 1), develop the capacity of local farmers and dekhkan farms to export local products to the Russian Federation and other countries (Component 2), and improve social infrastructure and provide rural communities with access to basic social services (Component 2) will be concentrated in three pilot districts of Karakalpakstan (Karauzyak, Kegeli and Kanlynkul) with the active participation and involvement of farmers and dekhkan farms, secondary education and vocational institutions, local residents, including women and youth.

It is planned to use the potential and developments of existing international projects in the Aral Sea region within the framework of the MPTF Phase 2. In order to successfully implement the proposed activities and to avoid duplication, the Project will establish close cooperation and use the experience and already existing results (1) of the UNDP project on "Trade Facilitation in Uzbekistan", for 2020-2022, focused on promoting Uzbekistan's accession to the WTO and building export capacity among small producers in Kashkadarya and Surkhandarya regions, (2) UNDP, UNFPA and FAO project on digitalization of rural communities, (3) UNDP and UNESCO project "Addressing the human insecurities in the Aral Sea region through promoting sustainable rural development"; (4) UNDP and Adaptation Fund project on Building Resilience and Adaptation of Farmers in Ferghana Valley to Climate Change Risks.

The proposed project is aimed at continuing fruitful cooperation and wide dissemination of the numerous successful results achieved in the framework of ongoing and already implemented projects with the financial support of the Russia-UNDP Trust Fund and the exchange program between experts from the Russian Federation.

Cooperation between the government of the Russian Federation and the United Nations Development Program is carried out on the basis of two legal documents. The first document is the Framework Agreement on Partnership between Russia and UNDP dated January 23, 2015, where the parties agreed to strengthen mutual cooperation in reducing poverty and achieving sustainable development in the field of social and economic development. The second document is the Agreement on the establishment of the Russia-UNDP Trust Fund in 9 priority areas dated June 11, 2015, focused on achieving the Sustainable Development Goals.

UNDP Uzbekistan has a positive experience in cooperation with the Trust Fund of the Russian Federation. In particular, 3 projects are currently being implemented with financial assistance of the Russian Federation:

- Project "Building resilience and adaptation of farmers in Fergana Valley to the risks of climate change." RTF funding is \$ 0.8 million. The goal of the project is to increase the export potential of the agro-industrial sector and ensure the resilience of the farming capacity to the threats associated with climate change.
- The Project "Promotion of Youth Employment in Uzbekistan", Funding by the RTF is \$ 1 million. The goal of the project is to promote employment of the population, especially among young people, by helping the government to implement initiatives on the labor market. Aid For Trade Uzbekistan Project: \$ 1.4 million The project aims to promote inclusive and sustainable economic growth in Uzbekistan by promoting trade and increasing competitiveness.

In addition, UNDP has experience in attracting Russian experience and expertise, in particular, within the framework of the UN Joint Program implemented in Karakalpakstan with the financial assistance of the UN Trust Fund for Human Security. In 2016, Russian equipment was purchased for the wax production and packaging of natural honey in the Nukus and Amu Darya districts of Karakalpakstan. As part of this initiative, a Russian expert in this area was involved to train local farmers / beekeepers in the correct operation, maintenance and production of honey, and also facilitate the installation of appropriate equipment.

In addition, the Experts on Demand Program is being implemented within the framework of the regional project "Knowledge Management and Capacity Building in Russia-UNDP Partnership". On the part of the UNDP joint project, the Adaptation Fund and Uzhydromet "Ensuring climate resilience of farms and dekhkan farms located in arid regions of Uzbekistan", an expert was involved in creating indicators, target and basic data of socio-economic development in target areas within the framework of this program.

In terms of developing the professional competencies of the AKIS network consulting centers, the Project will closely cooperate and involve specialists from the A. N. Kostyakov All-Russian Research Institute of Hydraulic Engineering and Land Reclamation (VNIIGiM), the All-Russian Research Institute "Raduga" (VNII "Raduga") and the Russian Research Institute of Melioration Problems (RosNIIPM).

Within the framework of the project, work will be carried out to use the best practices of the Russian Federation in providing clean drinking water to residents of remote settlements, as well as the experience of Russian educational institutions in the implementation and effective use of IT technologies in the educational process.

Risks and assumptions

During the analysis and preparation of the risk register (Appendix 3), five (5) risks including four (4) as "moderate" and one (1) as "significant" were identified. The risk was identified as significant related to the impact of the ongoing COVID-19 pandemic, possible delay in project implementation and changes in the project strategy and work plan. The remaining four risks relate to (i) possible institutional / personnel changes in government that could significantly affect the sustainability of project results; (ii) possible deterioration of the economic situation in the country and the region; (iii) natural disasters and the need to adapt to changed conditions; (iv) exchange rate stability. Risks are entered in the Risk Register and will be reflected in the online project management module. The project manager is responsible for monitoring risks, taking appropriate measures and communicating the status of risks to the members of the Project Board. It is possible that new risks for the project will arise in the course of the project. Component coordinators will constantly monitor the situation in the country, Karakalpakstan, target districts and report potential risks to the Project Manager.

According to the UNDP Social and Environmental Assessment (SESP), see Appendix 2, the overall project was assigned a risk category of "moderate": out of three (3) risks, two (2) were

rated as “moderate”. During implementation, the Project Manager and Component Coordinators will monitor the status of identified risks and take appropriate action if there is an increase in risk.

One of the main assumptions of the project is the fact that the government, local administration and stakeholders actively support and participate in the activities of the project. It is also assumed that farmers and dekhkan farms are interested in demonstrating the proposed approaches and practices, in improving knowledge / skills, in an open dialogue with academia, decision-makers. The project strategy is based on the assumption of equal participation of women and youth in all components of the project.

Stakeholder Engagement

During the implementation of the Project, a mechanism for interaction with stakeholders in the process of implementing activities will be created. The project targets policy makers at the regional and local levels, including representatives of local khokimiyats, farms and dekhkan farms, agricultural producers, educational institutions, local communities, women and youth.

Partnership with the Uzstandart Agency and the Ministry of Agriculture will be established to stimulate export potential, promote the quality of agricultural products and food safety standards, implement good agricultural practices. To expand access to sustainable Internet for target communities, it is planned to cooperate with the Ministry for the Development of Information Technologies and Communications of the Republic of Uzbekistan, Internet providers and mobile operators. It is planned to actively involve research institutes in the field of irrigation, pastures, sustainable agricultural practices.

In addition to the main staff, stakeholders and partners will be invited to regular meetings of the Project Council, if necessary, to consider thematic issues, obtain expert opinions and recommendations on the further course of action and make changes to the Project strategy if necessary.

South-South cooperation and Triangular cooperation (SSTC)

During the implementation phase, the project will consider appropriate South-South cooperation and Triangular cooperation opportunities based on the needs of partners.

Knowledge / Information Products

Throughout the implementation of the project, the main focus will be on analytical products, printed and electronic products in the form of case studies, documented experience in the implementation of demonstration projects, recommendations, brief reviews, etc. for subsequent distribution to decision-makers, farms and dekhkan households. It is expected that the Project will make a great contribution to the creation of educational and training modules, methodological manuals for the AKIS network, secondary education and professional institutions for the long-term impact of the project results.

The project will widely use Field Days, exchange visits, seminars and other information and training events with the involvement of representatives of the local administration, the Ministry of Agriculture, Research Institute, IFAS, AKIS centers, the private sector to comprehensively highlight the results of demonstration projects and disseminate successful experience.

To promote the results of the project, the project will develop a communication strategy in order to establish and maintain a dialogue with key project participants and all stakeholders, as well as to ensure the recognition of the project, its products and activities among partners. The strategy will provide for wide coverage of project activities, results, achievements through various media, including television, social networks, publications.

Sustainability and scaling up of project results

The objectives of the project are based on national priorities and a number of national legislative and strategic documents. This approach ensures initial national ownership for all project activities and targets the basic needs of the Project beneficiaries.

The project's approach to sustainability is focused on ensuring national ownership, engaging stakeholders at all levels through more effective dialogue on pressing issues in terms of the possibility of minimizing or eliminating existing barriers. Thus, under Component 1, the project will develop brief overviews and recommendations on crop insurance, establishment and management of ICPs, financing mechanisms for farms and dehqan farms, preferential taxation opportunities so that the proposed demonstration approaches on related agricultural practices are viable in the long term and have the opportunity to for replication in other districts of Karakalpakstan. In addition, the project proposes to move away from demonstration in geographically disparate fields of farm and dehqan fields and livestock breeders, offering an integrated approach based on integration and cooperation, which makes such an approach more attractive for replication. The project will also actively work to build the capacity of various target groups, including AKIS network staff, farmers and dehqan farm representatives, in order to transfer advanced technologies and knowledge to local experts.

The use of the UNDP community-based mobilization and planning methodology, ensuring active participation and consultation with representatives of target communities at all stages of compiling a roadmap for the development of pilot districts and priority investment decisions also ensures the sustainability of the project's proposed approaches.

IV. Project management

Economic feasibility and efficiency

The project is financed by the government of the Russian Federation through the Ministry of Foreign Affairs and the Ministry of Finance of the Russian Federation. Also, parallel funding and in-kind contributions from national, regional and local partners are expected. During the implementation of the Project, the project team, together with the Ministry of Agriculture and regional khokimiyats, will actively work out the issue of mobilizing additional financial resources by establishing partnerships and attracting private, public and international investments in order to ensure the sustainability of the Project results.

The presented project is based on the results of long-term cooperation among UNDP, the Ministry of Agriculture and the Government of the Republic of Karakalpakstan in the development of the agro-industrial complex, trade and investment, rural development, including issues of digitalization, mitigation of climate risks and adaptation of agriculture to climate change.

For the implementation of the project, the National Implementation Modality (NIM) was chosen in order to increase the responsibility of national partners for the short-term and long-term results of the project and ensure their direct participation in the planning and implementation of the Project activities. UNDP will provide services (personnel, administrative, financial administration) based on the appeal of the Government of the Republic of Uzbekistan and the signed Agreement between the Ministry of Agriculture and UNDP.

Within the framework of this project, the accumulated best practices of two stages of the joint UN program in Karakalpakstan, as well as three ongoing joint projects with UNFPA, UNESCO, UNFPA and FAO led by UNDP will be used and expanded. The project will establish cooperation with other international organizations to ensure synergy and avoid duplication of activities in target areas.

Project management

The project will be implemented under the National Implementation (NIM) modality with project support from UNDP. The Ministry of Agriculture of the Republic of Uzbekistan will act as a national Executive Partner.

To ensure synergy and consolidation of efforts of ongoing UNDP projects, this project will be part of the existing UNDP project team in Nukus, which has the appropriate knowledge and experience to achieve results at the target community level.

In accordance with the Letter of Agreement between UNDP and the MOA on the provision of support services, the UNDP Country Office in Uzbekistan, at the request of the MOA, will be able to provide the following services for the successful implementation of the project:

- i. Organization of the process of competitive selection and recruitment of project personnel and consultants;
- ii. Procurement of goods and services;
- iii. Organization and implementation of project events (seminars, trainings, conferences, field trips, etc.);
- iv. Processing payments, payouts and other financial transactions;
- v. Various administrative services

A detailed list of services can be found in Appendix 5 to this project document.

The procurement of goods and services, as well as the recruitment of the Project staff will be carried out by the UNDP Country Office in accordance with the rules, policies and procedures of the UNDP. Goods, materials and equipment procured under the Project will be transferred to the balance of the Project beneficiaries and partners. A separate decision of the Project Council will be made on the transfer of each type of equipment, material or goods to the balance of the partner / beneficiary. The issues of the mechanism of sustainability and safety of the transferred equipment / material / goods are included in the components of the project and will be worked out during implementation.

Relevant provisions of the Standard Basic Assistance Agreement (SBAA) between the Government of Uzbekistan and UNDP including provisions on liability, privileges and immunities signed by the Parties on June 10, 1993, apply to the provision of such ancillary services. Any claims or disputes arising from the provision of support assistance by the UNDP Country Office as specified in the current project document are dealt with in accordance with the SBAA provisions.

Auditing procedure: The financial audit of the project will be conducted in accordance with the established UNDP procedures outlined in the UNDP Operations Manual.

Use of logos: The project team and partners of the Project guarantee the placement of the logos of the Main Supplier / Donor of the Project (Ministry of Foreign Affairs of the Russian Federation / Embassy of the Russian Federation) in all printed and non-printed editions of the Project, during events of various levels.

V. Results matrix

| |
|--|
| <p>Expected Country Program Outcome and Resource Matrix:</p> <p>Task 2: By 2025, the people of Uzbekistan will benefit from a coherent and comprehensive implementation of the reform agenda through improved policy coherence, inclusive and evidence-based decision-making and financing for development in line with nationalized SDGs</p> <p>Task 3: By 2025, youth, women and vulnerable layers of the population will benefit more from improved livelihoods, access to decent work and expanded opportunities from inclusive and equitable economic growth.</p> <p>Outcome 3.1: Women, youth and residents from remote rural areas benefit from improved skills, sustainable jobs and increased income.</p> <p>Task 4: By 2025, Uzbekistan's most at-risk regions and communities will become more resilient to climate change and natural disasters and gender-sensitive effective management of natural resources and infrastructure, decisive action to combat climate change, inclusive governance and environmental protection.</p> <p>Outcome 4.4: Systemic innovations for integrated solutions in the Aral Sea region</p> |
| <p>Country Program and Resource Matrix Output Indicators, including baselines and targets:</p> <p>Indicator 2.1.2: The number of innovative financial solutions and practices developed and implemented. Basic level (2020) - 0; Target (2025) - 3</p> <p>Indicator 3.1.1: Number of decent jobs created with UNDP support, including proportion among women and youth Baseline (2020): Total 160 (40% women, 50% youth) Target (2025): Total 5,000 (50% women, 50% youth)</p> <p>Indicator 3.1.2: Number of people gaining 21st century skills through UNDP support (women, youth) Baseline (2020): 400 (30% women, 80% youth) Target (2025): 20,000 people (40% women, 80% youth)</p> <p>Indicator 4.4.1: The number of innovative and scalable solutions applied within the framework of system integration Basic level (2020): 3; Target (2025): 8</p> <p>Indicator 4.4.2: Number of new project proposals to improve access to water and food Basic level (2020): 2; Target indicator (2023): 4</p> |
| <p>Applicable Intermediate Results from the UNDP Strategic Plan: 3. Builds Resilience to shocks and crisis</p> <p>Signature Solutions: 1. Keep people out of Poverty</p> <p>CDP: By 2025, most at risk regions and communities of Uzbekistan are more resilient to climate change and disasters, and benefit from increasingly sustainable and gender-sensitive efficient management of natural resources and infrastructure, robust climate action, inclusive environmental governance and protection</p> <p>Output 4.1: Innovative and sustainable climate change adaptation and mitigation initiatives designed and implemented Indicator 4.1.1: Number of sectoral/regional/national gender-sensitive climate change initiatives implemented</p> |

Project name and number in the Atlas: Building resilience of the local population and promoting green, inclusive development of the most affected communities in the Aral Sea region

| EXPECTED INTERMEDIATE RESULTS | EXPECTED INTERMEDIATE RESULTS ¹³ | DATA SOURCE | INITIAL DATA | | TARGETS (by frequency of data collection) | | | | | DATA COLLECTION METHODS AND RISKS | |
|---|---|-------------------------|--------------|------|---|------|------|------|------|-----------------------------------|--------------------------|
| | | | Value | Year | 2022 | 2023 | 2024 | 2025 | 2026 | | TOTAL |
| Component 1: Increasing the productive capacity of the agricultural sector and ensuring the resilience of local farmers and dekhkan farms to climate change | | | | | | | | | | | |
| Intermediate result 1.1. An enabling legal, institutional and financial environment to enhance the productive capacity of local farmers and dekhkan farms in light of the current and projected impacts of climate change | 1.1.1. Number of recommendations prepared on the crop insurance system, the creation of an ICC, alternative financial mechanisms, tax relief for green technologies | Project progress report | 0 | 2021 | 2 | 2 | | | | 4 | Project progress reports |
| | 1.1.2 Number of financial mechanisms proposed by the project to finance green agricultural practices | Project progress report | 0 | 2021 | | 1 | | | | 1 | Project progress reports |
| | 1.2.1. Number of studies / assessments of the needs of farmers and dekhkan farms in pilot districts | Project progress report | 0 | 2021 | 3 | | | | | 3 | Project progress reports |
| Intermediate result 1.2. Increasing the system capacity for the provision of modern agricultural services to farmers and dekhkan farms in pilot districts | 1.2.2. The number of proposed and tested agricultural services for the development of the AKIS system | Project progress report | 0 | 2021 | | 1 | 1 | | | 2 | Project progress reports |
| | 1.2.3. Number of equipment purchased for 3 AKIS consulting centers in target areas | Project progress report | 0 | 2021 | | 9 | | | | 9 | |

¹³ Projects are encouraged to use IRRF Strategic Plan output indicators, where appropriate, in addition to specific indicators of the results of specific projects. If necessary, indicators should be detailed / disaggregated by sex and other categories and groups of population.

| | | | | | | | | | |
|---|-------------------------|---|------|---|--|--|--|--------------------------------|--|
| 1.2.4. Number of prepared teaching aids for AKIS Consulting Centers | Project progress report | 0 | 2021 | | 3 | 3 | 3 | 9 | Project progress reports |
| 1.2.5. Number of trainings and educational events held for farmers, dekhkan farms and teaching staff of AKIS consulting centers (% ratio of women and youth to the total number of participants is at least 30%) | Project progress report | 0 | 2021 | | 6 (30% of women from the total number of participants) | 6 (30% of women from the total number of participants) | 6 (30% of women from the total number of participants) | 18 | List of participants Participant profiles Project progress reports |
| 1.2.6. Raising the level of knowledge and competencies of farmers, dekhkan farms, teaching staff of AKIS | Project progress report | Competence / knowledge level before and after according to the questionnaire and survey | 2021 | | 20% | 40% | 40% | 40% | List of participants Participant profiles Project progress reports |
| 1.2.7. The number of consultative and informational events, round tables aimed at developing the AKIS network and building an open dialogue between the participants of the system (% ratio of women from the total number of participants is at least 30%) | Project progress report | 0 | 2021 | 1 | 2 | 3 | 2 | 10 (at least 100 participants) | Project progress reports |

| | | | | | | | | | | |
|---|--|---|---|------|--------|---|------------------------------------|------------------------------------|--|--|
| <p>Intermediate result 1.3. Introduction of "green" innovative agricultural practices, energy-efficient and water-saving technologies in three pilot districts of the Republic of Karakalpakstan with the involvement of experts and research institutes of the Russia Federation in order to strengthen the potential and material and technical base of farms and dekhkan households</p> | 1.3.1. Number of approaches / practices implemented in pilot districts using effective farming methods / innovative solutions, taking into account the risks of climate change ¹⁴ | Project progress report | 0 | 2021 | 6 | 6 | 12 | | | Monitoring data from experts Project progress reports |
| | 1.3.2. Reduction of water loss as part of the pilots for the reconstruction of irrigation infrastructure by at least 40% | Monitoring data from experts Project progress report | It is required to determine the initial stage | 2022 | 40% | | 40% | | | Monitoring data from experts Project progress reports |
| | 1.3.3. Reduction of water consumption for irrigation in pilot farms by 10-15% | Monitoring data from experts Project progress report | It is required to determine the initial stage | 2022 | 10-15% | | 10-15% | | | Monitoring data from experts Project progress reports |
| | 1.3.4. Increase in fertility and productivity of arable land in demonstration plots: (a) humus content increased by at least 1-1.5%; (b) the yield of the main crops increased by 6%; (c) the share of alfalfa in the composition of the crops of the pilot farms is equal to 15-20% | Monitoring data from experts Project progress report | It is required to determine the initial stage | 2022 | | | (a) 1-1,5% (b) 6% (c) 15-20% | (a) 1-1,5% (b) 6% (c) 15-20% | | Monitoring data from experts Project progress reports |

¹⁴ During the implementation of the Project, a baseline and target indicators will be established for each demonstration project under Output 1.3. Achievement of target indicators for each pilot will be reflected in the annual reports of the Project. Target indicators (1.3.2 - 1.3.9) presented in the results matrix for demonstration projects are indicative and can be specified / expanded at the stage of the Project implementation.

| | | | | | | | | | |
|---|--|--|------|----|----|----|--------|--------|--|
| 1.3.5. Increasing the productivity of pastures (due to improved vegetation cover) in the pilot plots by 6-8% | Monitoring data from experts Project progress report | It is required to determine at the initial stage | 2022 | | | | 6-8% | 6-8% | Monitoring data from experts Project progress reports |
| 1.3.6. Увеличение прироста живой массы скота в пилотных хозяйствах на 4-5% | Monitoring data from experts Project progress report | It is required to determine at the initial stage | 2022 | | | | 4-5% | 4-5% | Monitoring data from experts Project progress reports |
| 1.3.7. Number of women / youth participating in pilot projects (30/70 ratio of total) using good agricultural practices / innovative solutions, taking into account the risks of climate change | Project progress report | 0 | 2022 | 15 | 15 | | 30 | 30 | Project progress reports |
| 1.3.8. Increased production of fruits and vegetables in target areas | Statistics Project progress report | It is required to determine at the initial stage | 2022 | | | | 25-30% | 25-30% | Project progress reports Target area statistics |
| 1.3.9. Increase in productivity (income) of farms and dekhkan farms participating in pilot projects by gender, compared to the base year | Questionnaires before and after project activities, statistics on target areas | It is required to determine at the initial stage | 2022 | | | 5% | 10-15% | 10-15% | Project progress reports |
| Component 2: Building the capacity of local farmers and dekhkan farms to export local products to Russia and other countries | | | | | | | | | |

| | | | | | | | | | | | |
|--|--|---|---|------|---|---|------------|------------|------------|------------|--|
| Intermediate result 2.1. Supporting the process of entering agricultural products of farmers and dekhkan farms of the target area into the markets of Russia, Kazakhstan and other countries | 2.1.1. Number of reviews of compliance of national legislation with international standards of food safety and good agricultural practices such as Global GAP, HACCP, FSC, etc. | Project progress report | 0 | 2021 | | 1 | | | | 1 | Project progress reports Figures are presented as a cumulative total on years |
| | 2.1.2 Number of products identified that are sustainable and that contribute to job creation | Project progress report | 0 | 2021 | | 2 | 2 | | | 4 | Project progress reports Figures are presented as a cumulative total on years |
| | 2.1.3 Number of studies / assessments of the potential of transport and logistics infrastructure, competencies of certification institutions / laboratories, competencies of local farmers | Project progress report | 0 | 2021 | 2 | 2 | | | | 4 | Project progress reports Figures are presented as a cumulative total on years |
| | 2.1.4. Number of roadmaps for the development of export potential | Project progress report | 0 | 2021 | | | 1 | | | 1 | Project progress reports Figures are presented as a cumulative total on years |
| Intermediate result 2.2. Enhancing the market potential of local farms and dekhkan households and the opportunities of local youth to promote sustainable human development | 2.2.1. Number of capacity building activities on international standards / practices and certifications such as Global GAP, HACCP, FSC, etc. | Project progress report | 0 | 2021 | | 2 | 2 | 2 | | 6 | Project progress reports Figures are presented as a cumulative total on years |
| | 2.2.2. The number of new formal decent jobs created (including 50% for women) | Project progress report Personnel reports Hokimiat statistics | 0 | 2021 | | | 25 (12) | 25 (12) | 25 (12) | 75 (36) | Project progress reports Figures are presented as a cumulative total on years |

VI. Monitoring and evaluation

In accordance with UNDP programming policies and procedures, project monitoring will be carried out based on the following monitoring and evaluation plans.

Monitoring plan

| Monitoring activities | Target | Frequency | Expected actions | Partners (in case of joint actions) | Costs (if any) |
|--|--|--|---|-------------------------------------|----------------|
| Track progress towards results | Data on project progress will be collected and compared with the indicators of results in the Results Framework (MR) to analyze and evaluate the progress of the project and achieve agreed outputs. | Quarterly or as often as necessary for each indicator. | Problems of the delays from the implementation schedule will be resolved by the project management. | | |
| Monitoring and risk management | Identify the specific risks that may threaten the achievement of the intended results. Define and monitor risk management activities using the Risk Log. Such actions include monitoring measures and plans that may be necessary in accordance with UNDP social and environmental standards. Audits will be conducted in accordance with the UNDP audit policy for financial risk management. | Quarterly | Risks are determined by the project management and risk management measures are taken. A "risk log" is maintained to track identified risks and measures taken. | | |
| Education | Knowledge, best practices and lessons learned will be regularly recorded and actively adopt from other projects and partners and integrated into the project. | At least once a year | Relevant lessons are learned by the project team and used to inform management decisions. | | |
| Annual assessment of the project implementation quality | The quality of the project will be assessed in accordance with UNDP quality standards to identify the strengths and weaknesses of the project and justify management decisions to improve the project. | Annually | Strengths and weaknesses will be analyzed by the project management and used to justify decisions to improve the efficiency of the project. | | |
| Review and adjustment of the | Internal review of data and facts on all monitoring measures to inform decision | At least once a year | Data on project performance, risks, lessons learned and | | |

| | | | | | | |
|--|---|---|--|--|--|--|
| course of the project | making. | | | quality of interventions will be discussed by the project coordinating board and used to adjust the course of the project. | | |
| Project progress report | A progress report on the project will be presented to the Project Steering Committee and key stakeholders; The Report contains data on the results achieved against the predetermined annual targets at the level of intermediate results, a summary annual assessment of the quality of project implementation, an updated "risk log" with measures to mitigate risks, as well as any assessment or overview reports prepared during this period. | Annually and at the end of the project (final report) | | | | |
| Monitoring over the progress of the project (Project Board) | The Project Management Mechanism (Project Board) will meet regularly to oversee project activities to assess its performance and review the Multi-Year Work Plan to ensure a realistic budget throughout the life of the project. In the final year of the project, the Project Board will hold a final project review meeting to capture lessons learned and discuss opportunities for scaling up and disseminating project results to target audiences. | At least once a year | | Any quality issues or delays in progress plan will be discussed by the project board; and management actions will be coordinated to resolve the identified problems. | | |

Evaluation plan

| Title score | Partners (in joint actions) | Relevant Strategic Plan Output | UNDAF / Country program intermediate result | Estimated completion date | Key Evaluation Stakeholders | Cost and source of funding |
|--------------------|-----------------------------|--------------------------------|---|---------------------------|-----------------------------|----------------------------|
| Interim assessment | | | Objectives 2, 3, 4, Outputs 3.1, 4.4 | December 2024 | MoA / UNDP | Donor |
| Final assessment | | | Objectives 2, 3, 4, Outputs 3.1, 4.4 | December 2026 | MoA / UNDP | Donor |

VII. Multi-year work plan^{15,16}

| EXPECTED PRACTICAL RESULTS | PLANNED ACTIVITIES | Planned budget by year | | | | | RESPONSIBLE SIDE | PLANNED BUDGET (USD) | | |
|--|---|------------------------|------|---|---|-----------|--|--|---------------------------|--------|
| | | 1 | 2 | 3 | 4 | 5 | | Source of financing | Description of the budget | Amount |
| Component 1. Increasing the productive capacity of the agricultural sector and ensuring the resilience of local farmers and dekhkan farms to climate change. | 1.1.1 Carrying out industry research on the crop insurance system, ICC creation, alternative financial mechanisms, tax reliefs for green technologies and development recommendations | 25 800 | | | | | UNDP, MoA | 72100 Contracting services 74200 Costs of production of audiovisual and printed products | 25 800 | |
| | 1.1.2. Consideration of the possibility of creating revolving fund based on the experience of Russia, Kazakhstan, the USA, Europe | 23 000 | | | | | UNDP, MoA | 71300 Local consultants 71200 International consultants 75700 Seminars 71600 Business trips | 23 000 | |
| Outcome 1.1: An enabling legal, institutional and financial environment to enhance the productive capacity of local farmers and dekhkan farms in light of the current and projected impacts of climate change | 1.2.1. Identification of needs among local farmers and dekhkan farms in agricultural services in the form of questionnaires and interviews | 21000 | 6000 | | | UNDP, MoA | 72100 Contracting services 74200 Costs of production of audiovisual | 27 000 | | |
| Outcome 1.2: Increasing the capacity of the system for the provision of modern | | | | | | | | | | |

¹⁵ Cost classification for program costs and development effectiveness to be attributed to the project is determined by the decision of the Executive Board DP/2010/32

¹⁶ Changes to the project budget affecting the scope (interim results) of the project, the completion date, or the total estimated cost of the project require a budget revision document to be signed by the Project Steering Committee. In other cases, the signature of a single UNDP Program Manager is sufficient on the budget revision document, provided that the other signatories have no objection. This procedure can be applied, for example, when the purpose of the revision is only to rephrase the activities in the respective years.

| | | | | | | | | | | |
|---|---|---------|--------|--------|--|--|-----------|--------------------|---|---------|
| Component 2: Building the capacity of local farmers and dekhkan farms to export local products to Russia and other countries | 2.1.2. Assessment of the state and potential of transport and logistics infrastructures for exporting products to the markets of Russia, Kazakhstan and other countries | 8 000 | | | | | UNDP, MoA | Russian Government | 72100 Contracting services - 72100 Contracting services 74200 Costs of production for audiovisual and printed products 75700 Trainings, seminars, conferences | 8 000 |
| Outcome 2.1. Supporting the process of entering agricultural products of farmers and dekhkan farms of the target area into the markets of Russia, Kazakhstan and other countries | 2.1.3. Identification of knowledge and competence gaps of local farmers and dekhkan farms in the field of modern technologies and agricultural practitioners in the cultivation, collection, storage and processing of niche products | 22 500 | | | | | UNDP, MoA | Russian Government | 72100 Contracting services 74200 Costs of production for audiovisual and printed products 75700 Trainings, seminars, conferences | 22 500 |
| Outcome 2.2. Enhancing the market potential of local farms and dekhkan households and the opportunities of local youth to promote sustainable human development | 2.1.4 Assessment of the capacity of certification and laboratory research institutions in the Republic of Karakalpakstan, identification of needs and gaps and partial equipping of laboratories | 131 000 | 97 000 | 72 000 | | | UNDP, MoA | Russian Government | 72100 Contracting services - Legal entities 72200 Equipment | 300 000 |
| | 2.2.1. Providing support to local farms and dekhkan farms in the use of modern innovative technologies in agriculture based on Russian developments and experience to increase the productivity of target products and value chains | 25 000 | 35 000 | 30 000 | | | UNDP, MoA | Russian Government | 72100 Contracting services - Legal entities | 90 000 |
| | 2.2.2. Supporting interested farmers / entrepreneurs in the implementation of international standards such as Global GAP, HACCP, FSC, etc. | 24 000 | 24 000 | | | | UNDP, MoA | Russian Government | 72100 Contracting services - Legal entities 74200 Costs of | 72 000 |

| | | | | | | | | | | | | | | | | | | | | |
|--|---|---------|---------|--------|--------|--|--|--|--|--|--|--|--|--|--|--|--|---|--------------------|------------------|
| Component 3: Improving social infrastructure and providing rural communities with access to basic social services | water in educational facilities | | | | | | | | | | | | | | | | | 72200 Equipment 71600 - Trips | - | |
| | 3.3.1. Expanding Access to Sustainable Internet in Target Communities | 125 679 | | | | | | | | | | | | | | | | 72200 Equipment 71600 Trips | - | 125 679 |
| | 3.3.2. Implementation of elements of smart schools in targeted educational institutions | 31 500 | 120 000 | 50 000 | 12 446 | | | | | | | | | | | | | 72200 Equipment 72100 Contracting services 71600 Trips 75700 Seminars | - | 218 946 |
| | Project and expert costs for technical support and monitoring | 38 335 | 38 335 | 38 335 | 38 335 | | | | | | | | | | | | | 71400 Service contracts Individuals 71600 Business trips | - | 191 775 |
| Outcome 3.1. Study of community needs, mobilization of local residents, development of local development plans | | | | | | | | | | | | | | | | | | | | |
| Outcome 3.2. Implementation of the best Russian experience in the provision of clean drinking water to residents of remote settlements and educational facilities | | | | | | | | | | | | | | | | | | | | |
| Outcome 3.3. Increasing the potential of educational institutions (secondary and vocational) and social facilities through the use of modern digital technologies | | | | | | | | | | | | | | | | | | | | |
| Subtotal for component 3 | | | | | | | | | | | | | | | | | | | | 1 001 195 |
| Project management | Project staff | 91 431 | 91 431 | 91 431 | 68 898 | | | | | | | | | | | | | 71400 - Contracting services - Individuals | Russian Government | 434 622 |
| | Mid-term and final assessments | | 18 000 | | 18 000 | | | | | | | | | | | | | 71200 - Международные консультанты | Russian Government | 36 000 |
| | Business trips | | 15 000 | 15 000 | 15 000 | | | | | | | | | | | | | 71600 - Командировки | Russian Government | 60 000 |
| | Office. equipment, machine | 119 000 | | | | | | | | | | | | | | | | 72200 - Equipment | Russian Government | 119 000 |

VIII. Project management mechanisms

The project activities will be carried out in accordance with the UNDP procedures for the National Implementation Modality (NIM) with the support of the project from the UNDP side. At the national level, the project will be implemented by the Ministry of Agriculture of the Republic of Uzbekistan (MOA) acting as the Executive Partner. MoA has overall responsibility for the project and will appoint a National Project Coordinator (NPC) responsible for providing strategic advice and coordinating project activities. He / she will approve the annual work plans, which are the basis for the implementation of project activities.

The overall management will be provided by the **Project Board (PC)**. The Council will include representatives from the Ministry of Agriculture as the Contractor and the Main Beneficiary, as well as the Ministry of Foreign Affairs of the Russian Federation (MFA of the Russian Federation) represented by the Embassy of the Russian Federation in Uzbekistan as the Donor and the Main Supplier, respectively, while representatives of key government and non-government departments, relevant representatives at the local level, local government representatives as well as independent third parties such as international and national NGOs may also attend extended meetings of the Project Board as observers. Representatives of the A. N. Kostyakov All-Russian Research Institute of Hydraulic Engineering and Land Reclamation will also be invited to the meetings of the Project Council in order to avoid duplication of other projects in the Aral Sea region.

The Project Board is the consensus decision-making body for a project when the Project Manager (PM) asks for advice, including UNDP / MoA recommendations for approval of plans and revisions of the project. To ensure ultimate UNDP accountability, Board decisions must be made in accordance with standards that ensure the best value for money, fairness, transparency and effective international coordination. The project will be overseen by the Council at annual meetings (at the beginning or at the end of the year as agreed with the PM). If necessary, at the request of the MP, extraordinary meetings of the PC are also possible. The MP consults and coordinates with the Council to make decisions that go beyond the authority of the MP in terms of the level of permissible deviation (usually in terms of time and budget).

Based on the approved annual work plan (AWP), the Project Board has an authority, if necessary, revise and approve the annual project plans and resolve any significant deviations from the original plans whenever it is required. The Council is also empowered to sign the completion of each annual plan as well as authorize the start of the next annual plan. The Council ensures the coordination of the necessary financial resources and acts as arbitration for any conflicts that may arise within the project or to resolve possible problems between the project and external parties.

The project board has three roles, including:

1. **Executive:** represented by (National Project Coordinator from the Ministry of Agriculture), representing the ownership of the project and presiding over the council.
2. **Donor and Main Supplier:** The Ministry of Foreign Affairs / The Embassy of the Russian Federation will serve as the Main Supplier. The main function of the Donor (Government of the Russian Federation) in the Council is to provide general guidance for the implementation of the project. The main function of the Lead Supplier on the Board is to advise on the technical feasibility of the project.
3. **Principal Beneficiary:** MoA and Khokimiyats of target districts, representing the interests of those who will ultimately benefit from the project. The main function of the Principal Beneficiary in the Council is to ensure the implementation of the project results from the point of view of the project beneficiaries.

The Project Council, if necessary, also makes a decision on the reallocation of the project budget between activities (components) on the basis of an appropriate request, drawn up by the PM. In addition, the Council approves the appointment and responsibilities of the project manager and

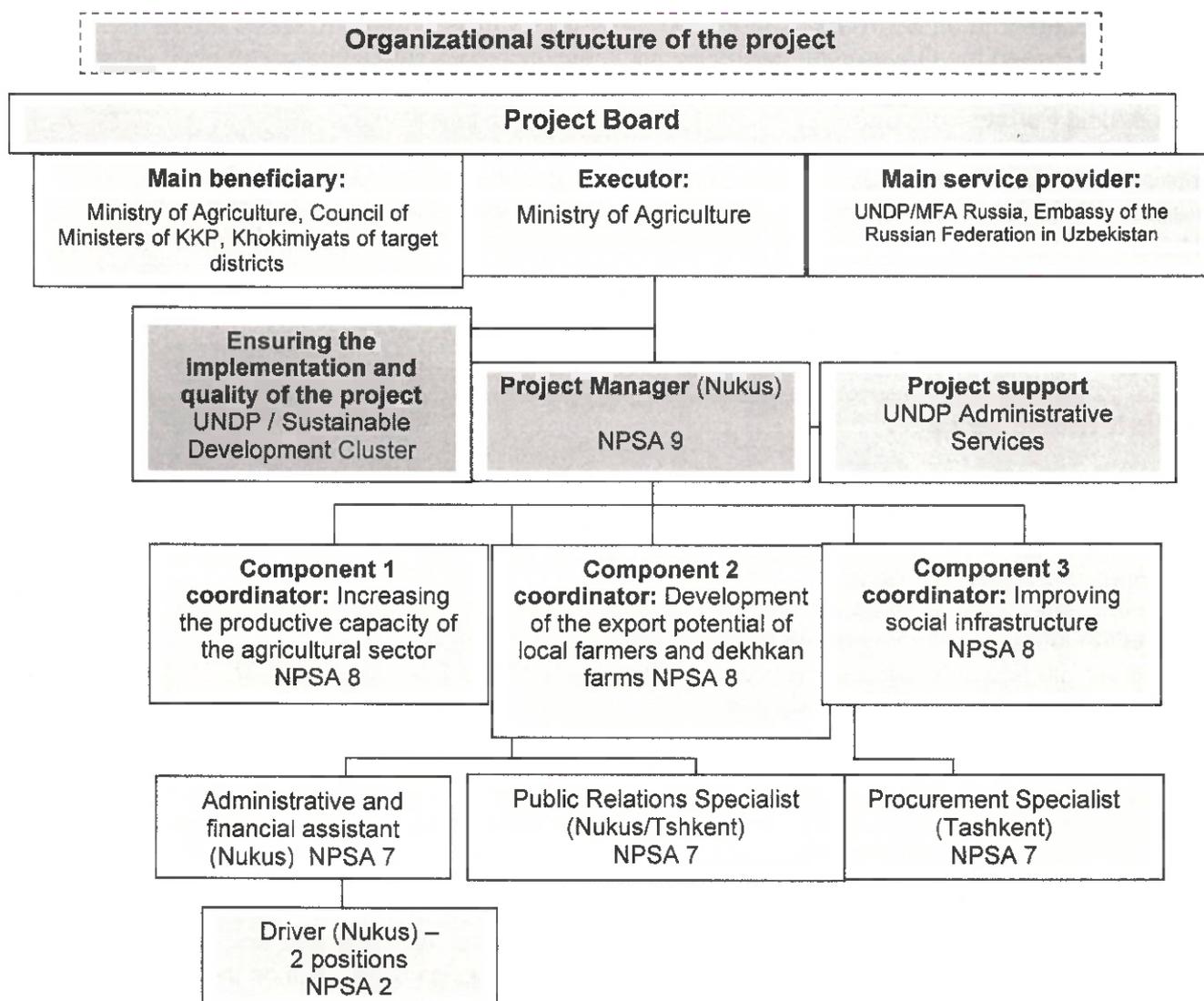
delegates responsibilities for ensuring the quality of the project (see the Terms of Reference for the PM in Appendix 4).

The Project Manager manages the project on behalf of the Project Board within the limits set by the Board. The project manager is responsible for the day-to-day management and decision making of the project. The main task of the Project Manager is to ensure that the project achieves the results specified in the project document, in accordance with the required quality standard and within the specified time frame and budget. In addition, to provide technical, administrative and organizational support in the implementation of project activities, recruitment will be carried out on the following positions: coordinators of Components 1, 2 and 3, administrative and financial assistant, procurement officer.

Ensuring the implementation and quality of the project is the responsibility of each member of the Project Board, however this role can be delegated. The role of ensuring project implementation and quality helps the PC to carry out an objective and independent monitoring function. This role ensures the timely and high-quality achievement of the intermediate project goals. Ensuring the implementation and quality of the project should be independent from the PM; therefore, the Project Board cannot delegate any of the responsibilities for ensuring the implementation and quality of the project to the Project Manager. Typically, the role of Project Implementation and Quality Assurance is performed by a UNDP Program Officer (see Terms of Reference for the PC in Appendix 4).

To improve cooperation at the national and regional levels among international and local organizations, the Manager will be responsible for coordinated cooperation with other organizations, including IFAS, as well as the A.N. Kostyakov All-Russian Research Institute of Hydraulic Engineering and Land Reclamation, which are responsible for the implementation of another Special Project in the Aral Sea region.

The organizational structure of the project is presented below:



IX. Legal context

This project document is an act referred to as such in Article 1 of the Standard Basic Agreement on Assistance between the Government of the Republic of Uzbekistan and UNDP, signed on June 10, 1993. All references to the "Executing Agency" in the SBAA will be considered as references to the "Executing Partner".

This project will be implemented by the Ministry of Agriculture ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contradict the principles of the UNDP Financial Regulations and Rules. UNDP financial management arrangements will be applied where the Executing Partner's financial management arrangements do not provide the required level of governance to guarantee the best value for money, fairness, honesty, transparency and effective international competition.

X. Risk management

1. In accordance with Article III of the SCSS, responsibility for the safety and security of the Implementing Partner and its personnel and property, as well as UNDP property held by the Implementing Partner, rests with the Implementing Partner. Based on this, the Executing Partner is obliged to:
 - a) put into effect and enforce an appropriate security plan, taking into account the security situation in the country where the project is being implemented;
 - b) assume all risks and liabilities related to the security of the Executing Partner, as well as full implementation of the security plan.
2. UNDP reserves the right to check the existence of such a plan and, if necessary, propose amendments to it. Failure to put in effect and implement an appropriate security plan in accordance with the requirements of this document is considered a violation of the Executing Partner's obligations under this Project Document.
3. The Implementing Partner undertakes to make every possible effort to prevent the use of UNDP funds received under this Project Document by individuals or organizations associated with terrorism; and also that these funds do not fall into the possession of persons on the list of the Security Council Committee drawn up in accordance with resolution 1267 (1999). This list can be found at the link http://www.un.org/sc/committees/1267/ag_sanctions_list.shtml.
4. Social and environmental sustainability will be enhanced through the application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and the associated Accountability Mechanism (<http://www.undp.org/secu-srm>).
5. The Implementing Partner shall: (a) implement project and program activities in accordance with UNDP Social and Environmental Standards, (b) implement appropriate plans prepared for a project or program in order to ensure compliance with such standards, and (c) engage constructively and in a timely manner in resolving any concerns and complaints identified through the Accountability Mechanism. UNDP will strive to ensure that the public and other project stakeholders are aware of and have access to the Accountability Mechanism.
6. All signatories to the Project Document are required to cooperate in good faith in appropriate activities to assess the fulfillment of any obligations related to the program or project, or to verify compliance with UNDP Social and Environmental Standards. This includes, inter alia, the provision of access to project areas, appropriate personnel, information and documentation.
7. The implementing partner is obliged to take appropriate measures to prevent the misuse of funds, fraud or corruption by its officials, consultants, responsible parties, subcontractors and subrecipients in the implementation of the project or the use of UNDP funds. The Implementing

Partner will ensure that adequate financial management, anti-corruption and anti-fraud policies are developed and followed for all funds received from or through UNDP.

8. The requirements of the following documents, valid at the time of signing the Project Document, apply to the Executing Partner: (a) UNDP Anti-Fraud and Other Corrupt Practices Policy and (b) Investigation Manual of the UNDP Audit and Investigations Office. The Executing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and available on the Internet at www.undp.org.
9. In the event that an investigation is required, UNDP is obliged to investigate any aspect of UNDP projects and programs. The Implementing Partner is obliged to ensure full cooperation, including the provision of personnel, appropriate documentation and access to the premises of the Implementing Partner (and its consultants, responsible parties, subcontractors and sub-recipients) for such purposes within a reasonable time and on reasonable terms for the purpose of conducting such an investigation. Where there are restrictions on the fulfillment of this obligation, UNDP will consult with the Implementing Partner in search of an appropriate solution.
10. The signatories to this Project Document will promptly inform each other of any misuse of funds or credible allegations of fraud or corruption, while maintaining due confidentiality.

In the event that the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the subject of a fraud / corruption investigation, the Implementing Partner will inform the UNDP Resident Representative / Head of Country Office, who will promptly inform the UNDP Audit and Investigation Office (UAR). It is the responsibility of the implementing partner to ensure that the UNDP Country Director and UAR are regularly informed of the current status of such an investigation and the actions being taken in connection with it.

11. UNDP is entitled to receive a refund from the Executing Partner for any funds provided, used improperly, including through fraud or corruption, or not paid in accordance with the terms of the Project Document. Such amount may be deducted by UNDP from any payment due to the Executing Partner pursuant to this or any other agreement.

In the event that such funds are not reimbursed by UNDP, the Implementing Partner agrees that UNDP donors (Government of the Russian Federation), whose funding is a full or partial source of funds for the activities that are the subject of this Project Document, may require reimbursement by the Implementing Partner of any funds which, as determined by UNDP, have been misused, including through fraud or corruption, or have not been paid in accordance with the terms of the Project Document.

Note: The term "Project Document" as used in this clause includes any relevant ancillary agreements in addition to the Project Document, including agreements with responsible parties, subcontractors and sub-recipients.

12. Each contract issued by the Executing Partner in connection with this Project Document must include a clause stating that no fees, benefits, discounts, gifts, commissions or other payments other than those specified in the proposal have been made, received, or promised in connection with the selection or contract execution process, and that the recipient of funds from the Implementing Partner will cooperate with all investigations and audits.
13. In the event that UNDP asks the relevant national government authorities to take appropriate regulatory action with respect to any alleged offense related to the project, the government will ensure that the relevant national public authorities actively pursue such an offense and take appropriate legal action against all perpetrators of the offense, and that the seized funds are seized and returned to UNDP.

The Implementing Partner shall ensure that the obligations set out in this section under the heading "Risk Management" are extended to each responsible party, subcontractor and sub-recipient, and incorporation of all provisions in this section under the heading "Standard Risk Management

Clauses", mutatis mutandis, in all sub-contracts or sub-agreements concluded in addition to this Project Document.

XI. ANNEXES

- 1. Quality control report of project results**
- 2. Social and environmental assessment**
- 3. Risk analysis**
- 4. Terms of Reference for Project Board and Key Management Positions**
- 5. Letter of Agreement**

Appendix 1. Report on quality control of project results

<https://intranet-apps.undp.org/ProjectQA/?year=2022&ou=UZB&pid=00138596&fltr=PROJECT>

Appendix 2. Social and Environmental Assessment

Project information

| Project information | |
|----------------------------|---|
| 1. Project name | Enhancing the resilience of the local population and promoting green, inclusive development of the most vulnerable communities in the Aral Sea region |
| 2. Project number | 00138596 |
| 3. Location | Republic of Karakalpakstan, Uzbekistan |

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How does the project integrate overarching principles to improve social and environmental sustainability?

Briefly describe how the project takes into account a human rights-based approach.

The project takes a human rights-based approach to achieve its goal of "mitigating interrelated risks to human development and enhancing the resilience of targeted communities in the Republic of Karakalpakstan affected by the Aral Sea disaster, based on an integrated and multilateral approach".

Human rights are at the forefront of UNDP's activities, based on the recognition of the relationship between the SDGs and the declared norms in the Charter of the United Nations and the Universal Declaration of Human Rights ": rights that advocate peaceful, just, inclusive and equitable development", based on the recognition of the relationship between the SDGs and the declared norms in the Charter of the United Nations and the Universal Declaration of Human Rights ": rights that advocate peaceful, just, inclusive and equitable development". The project will be implemented in line with the UN's commitment to "no one will be ignored", with a focus on the local level, through the following measures complying with the human rights principle of participation and inclusion:

- Support the meaningful participation and involvement of all stakeholders, especially marginalized individuals and groups, including women, youth, low-income people, in processes that can affect them, including the development, implementation and monitoring of community development plans, demonstration projects, activities to ensure access to water and social services, for example through joint consultations, surveys and interviews, creating an enabling environment for participation and access, facilitating community-based project development through capacity building, etc.
- Strengthening local organizations by providing technical assistance, awareness raising, training and capacity building to improve the accessibility and quality of benefits and services for marginalized individuals and groups
- Increased participation of marginalized individuals and groups in planning and decision-making processes for the management of target communities, including investments, in water user groups, pasture cooperatives, local agricultural producers and other local associations.

One of the objectives of the project is to create sustainable "green" jobs in the structure of the economy of target districts of Karakalpakstan, especially for youth and women. It is assumed that the solution to this problem will be achieved through the implementation of demonstration projects in agriculture (crop production, horticulture and livestock), in building production and export potential for niche products that will be identified in the agriculture of target areas. Particular attention will be paid to supporting productive employment for women, as well as supporting women entrepreneurs to create decent jobs. The project will place particular emphasis on ensuring that jobs are formalized.

Briefly describe how the project can improve gender equality and the empowerment of women.

Rural women are significantly less competitive in the labor market, given the limited number of locally available jobs, as well as a lack of educational training, vocational qualifications and skills. In addition, female-owned or dehqan farms account for only a small proportion. However, women in rural areas often earn income by participating in family businesses, for example, working in a subsidiary farm or doing handicrafts. Also, gender stereotypes play a decisive role in the distribution of responsibilities in families, limit the activities of women, their use of resources and their influence on decisions made.¹⁷

The project's approach to promoting gender equality and the empowerment of women will have two objectives. Firstly, gender equality issues will be given special attention in all areas of the Project. And secondly, activities aimed exclusively at women will be carried out within the framework of Components 2 and 3 of the project. It is planned that at least 10% of the budget of these components will be invested in direct support for solving gender problems, supporting women entrepreneurs, creating jobs focused on women, etc.

Briefly describe how the project achieves environmental sustainability

The project will support activities that do not have a negative impact on the environment and that are aimed at the:

1. Ensuring sustainable management of natural resources and the use of resource-saving agricultural technologies
2. Ensuring mitigation of the effects of climate change / adaptation measures;
3. Ensuring that disaster risk is considered and investments are protected from potential disaster strikes by the initiative with informed decisions about risks, vulnerabilities and opportunities.

The standards used will be consistent with the Conventions on Land Degradation and Biological Diversity, which ensure the sustainable use of the components and the fair and equitable sharing of benefits derived from natural resources.

Part B. Identification and management of social and environmental risks

| | | |
|--|---|---|
| <p>QUESTION 2: What are the potential social and environmental risks?</p> <p><i>Note: Briefly describe the potential social and environmental risks identified in</i></p> | <p>QUESTION 3: What is the level of significance of potential social and environmental risks?</p> <p><i>Note: Please answer questions 4 and 5 below before moving on to question 6</i></p> | <p>QUESTION 6: What social and environmental management measures have been undertaken and / or necessary to address potential risks (for risks of medium and high significance)?</p> |
|--|---|---|

¹⁷ Uzbekistan: Updated Country Gender Assessment. 2018. ADB

| Appendix 1 - Risk Verification Checklist (based on any "Yes" answers). If no risks were identified in Appendix 1, check "No risks identified" and go to Question 4 and select "Low risk". Questions 5 and 6 are not required for low-risk projects. | Risk description | Influence (I) and Probability (L) (1-5) | Significance (Low, Moderate, High) | Comments (1) | Description of the assessment and management activities reflected in the project. If ESIA or SESA is required, please note that all potential impacts and risks must be considered in the assessment. |
|--|------------------------|---|---|--|---|
| <p>Risk 1: There is a risk that authorized persons (Ministry of Agriculture, Government of the Republic of Karakalpakstan, administration of pilot districts) will not be able to fulfill their obligations under the Project</p> <p><i>Principle 1, question 5</i></p> | <p>I = 4 L = 2</p> | <p>Moderate</p> | | <p>The Ministry of Agriculture, the Government of the Republic of Karakalpakstan provided comprehensive support at the stage of project development. The goal and objectives of the project are in line with the current priorities and tasks of the government, as well as the international community. The Ministry of Agriculture acts as the Executing Partner and will head the Project Council, thereby ensuring coordination of the project implementation and achievement of the declared results. The UNDP representative will join the PC to ensure quality control and full participation of the project partners. Potential changes in government policy will be regularly monitored by the PM and brought up for discussion by the PC in order to prevent and minimize the risk. The project also provides for the development of plans for the sustainable development of local communities with the active participation of the local administration.</p> | |
| <p>Risk 2: Project results can be sensitive and susceptible to the potential impacts of climate change</p> | <p>I=3 L=3</p> | <p>Moderate</p> | <p>The Republic of Karakalpakstan is initially susceptible to the predicted</p> | <p>The project strategy is built in such a way as to minimize possible extreme climate changes in the target areas. The project proposes adaptive approaches that allow farmers and dekhkan</p> | |

| | | | | |
|--|--------------------|-------------------|---|--|
| <p><i>Principle 2, Standard 2, ch. 2.2</i></p> | | | <p>negative consequences of the climate change. More frequent extreme weather conditions such as droughts, early / late frosts negatively affect the productivity and quality of agricultural products, resulting in crop loss, increased plant diseases, pest growth, reduced water for irrigation and watering of livestock, degradation of natural depletion of natural pastures, etc.</p> | <p>farms to start applying approaches and practices that allow them to preserve soil / pasture fertility, moisture, nutrients, conserve available resources and adapt economic practices and current and projected conditions. As part of the assistance to the AKIS network, the project will launch the provision of early forecasting services together with the agrometeorological service, a separate module on adaptation to climate change in the agricultural sector will be created, and the potential and experience of both AKIS consulting centers and farmers and dekhkan farms will be constantly increased.</p> |
| <p>Risk 3: The project will lead to temporary emissions of pollutants into the environment of a local nature, as well as the generation of waste</p> <p><i>Principle 3, Standard 7, 7.2</i></p> | <p>I=2 L=2</p> | <p>Low</p> | <p>Within the framework of demonstration projects (Component 1) and measures to improve access of the population of target districts to high-quality drinking water and social services, the activities of project partners (farms and dekhkan farms) and contractors can temporarily contribute to</p> | <p>The expected effect of the harmful substances emission into the atmosphere will be temporary, insignificant and local. With regard to waste generation, the project will definitely include the item of proper waste disposal in the contracts of contracting organizations..</p> |

| | | | |
|--|--|---|---|
| | | emissions of harmful substances (for example, when working with agricultural equipment) and the accumulation of waste (for example, during reconstruction and cleaning of canals, reconstruction of educational facilities) | |
| QUESTION 4: What is the general classification of project risks? | | | |
| Select one (see <u>SESP</u> for guidance) | | | Comments (1) |
| <i>Low risk</i> | | <input type="checkbox"/> | |
| <i>Moderate risk</i> | | <input checked="" type="checkbox"/> | Of the three identified risks, two were assessed as moderate, so the entire project is assigned a "moderate" risk |
| <i>High risk</i> | | <input type="checkbox"/> | |
| QUESTION 5: Based on the identified risks and risk classification, which SES requirements are relevant? | | | |
| Check all that apply | | | |
| <i>Principle 1: Human Rights</i> | | <input checked="" type="checkbox"/> | Comments |
| <i>Principle 2: Gender Equality and the Empowerment of Women</i> | | <input type="checkbox"/> | |
| <i>1. Conservation of biodiversity and management of natural resources</i> | | <input type="checkbox"/> | |
| <i>2. Climate change mitigation and adaptation</i> | | <input checked="" type="checkbox"/> | |
| <i>3. Community health, safety and</i> | | <input type="checkbox"/> | |

| | | | |
|--|--|-------------------------------------|--|
| | working conditions | | |
| | 4. Cultural heritage | <input type="checkbox"/> | |
| | 5. Displacement and relocation | <input type="checkbox"/> | |
| | 6. Indigenous peoples | <input type="checkbox"/> | |
| | 7. <i>Pollution Prevention and Resource Efficiency</i> | <input checked="" type="checkbox"/> | |

Signatures

| Signature | Аama | Description |
|----------------------------|-------------|---|
| Quality Evaluator | Control | The UNDP Officer in charge of the Project is usually a UNDP Program Officer. The final signature confirms that they have "verified" to ensure that the SESP is being implemented properly. |
| Quality Approver | Control | Senior UNDP Manager, usually UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR) or Resident Representative (RR). The QC approver also cannot be a Quality Control evaluator. The final signature confirms that they have "agreed" on the SESP prior to submission to the Project Evaluation Committee. |
| Project Committee Chairman | Appraisal | Chairman of the UNDP Project Evaluation Committee. In some cases, the Chairman of the Committee may also be the person approving the Quality Control. The final signature confirms that the SESP has been reviewed as part of the project appraisal and taken into account in the recommendations of the Project Evaluation Committee. |

Appendix 1 to Social and Environmental Assessment. Social and Environmental Risk Analysis Checklist

| Checklist: Potential Social and Environmental Risks | |
|--|-------------------|
| Principle 1: Human Rights | Answer (Yes / No) |
| 1. Can the project activity have any adverse human rights implications (civil, political, economic, social or cultural rights) of the affected population, in particular marginalized groups? | No |
| 2. Is the project likely to have any unfair or discriminatory impact on affected populations, in particular disadvantaged, marginalized or socially isolated individuals or groups? ¹⁸ | No |
| 3. Could the project potentially limit the availability, quality and access to resources or basic services, in particular for marginalized individuals or groups? | No |
| 4. Is it likely that the project will exclude any potentially affected stakeholders, in particular marginalized groups, from full participation in decision-making that could negatively affect them? | No |
| 5. Is there a risk that the authorized individuals will not be able to fulfill their obligations under the Project? | Yes |
| 6. Is there a risk that copyright holders will not be able to claim their rights? | No |
| 7. Have human rights issues been raised by local communities or individuals, where possible, regarding the Project in the process of stakeholder engagement? | No |
| 8. Is there a risk that the Project will exacerbate conflicts and / or the risk of violence for the communities and individuals affected by the project? | No |
| Principle 2: Gender Equality and the Empowerment of Women | |
| 1. Is the proposed Project likely to have an adverse impact on gender equality and / or the status of women and girls? | No |
| 2. Is it likely that the project will reproduce gender discrimination against women, especially with regard to their participation in project design or implementation, or with regard to access to opportunities and benefits related to project outputs? | No |
| 3. Did women's groups / leaders raise gender equality issues in relation to the project during the stakeholder engagement process and was this included in the Project proposal and risk assessment? | No |
| 4. Is there a potential for the project to restrict women's ability to use, develop and protect natural resources, taking into account the different roles and positions of women and men regarding access to environmental goods and services? <i>For example, activities that can lead to the degradation of natural resources or the depletion of resources in communities that depend on natural resources for the livelihood and material well-being of such communities</i> | No |
| Principle 3: Environmental sustainability: Environmental risk analysis questions are included in the standards-specific questions below | |
| Standard 1: Biodiversity Conservation and Sustainable Management of <u>Natural</u> Resources | |
| 1.1 Is there a potential for the project to adversely affect habitats (eg modified, natural and critical habitats) and / or ecosystems and ecosystem services? <i>For example, as a result of habitat loss, conversion or degradation, fragmentation,</i> | No |

¹⁸ Prohibited grounds for discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographic origin, property, social or other status, including belonging to an indigenous people or a minority. References to "women and men" or other similar categories are considered to include women and men, boys and girls, as well as other groups discriminated against on the basis of their gender identity, such as transsexuals and transgender people.

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| <i>hydrological changes</i> | | |
| 1.2 | Are there any project activities envisaged within or near critical habitats and / or ecologically sensitive areas, including in legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and / or indigenous peoples or local communities? | No |
| 1.3 | Does the project include changes in land and resource use that could adversely affect habitats, ecosystems and / or livelihoods? (Note: if bans and / or restrictions on access to land resources apply, see Standard 5) | No |
| 1.4 | Will the project activities pose risks to endangered species? | No |
| 1.5 | Will the project create a risk of invasion by alien aggressive species? | No |
| 1.6 | Does the project include tree felling in natural forests, creation of reforestation plantations or reforestation? | No |
| 1.7 | Does the project involve the production and / or catching fish populations or other aquatic species? | No |
| 1.8 | Does the project involve significant production, withdrawal or retention of surface or groundwater? <i>For example, the construction of dams, reservoirs, development of river basin resources, groundwater abstraction</i> | No |
| 1.9 | Does the project provide for the use of genetic resources? (For example, collection and / or procurement, commercial development) | No |
| 1.10 | Will the project create potential negative transboundary or global environmental problems? | No |
| 1.11 | Will the project result in secondary or developmental follow-up activities that could lead to adverse social and environmental impacts, or will the project create a cumulative impact together with other known current or planned development activities? <i>For example, the construction of a new road through forested land will result in immediate negative environmental and social impacts (e.g., deforestation felling, earthworks, potential displacement of residents). The new road could also ease encroachment on these lands by illegal settlers or stimulate unplanned commercial development along its entire extent, particularly in sensitive natural areas. These are indirect, secondary or induced effects that need to be considered. In addition, if similar development is planned in the same forest area, the cumulative impact of several activities must be considered (even if they are not part of the same project).</i> | No |
| Standard 2: Climate Change Mitigation and Climate Change Adaptation | | |
| 2.1 | Is it likely that the proposed project will lead to significant greenhouse gas emissions or accelerate climate change? ¹⁹ | No |
| 2.2 | Will the potential project deliverables be sensitive or vulnerable to the potential impacts of climate change? | Yes |
| 2.3 | Is it likely that the proposed Project will directly or indirectly increase social and environmental <u>vulnerability to climate change</u> now or in the future (also known as maladaptive practices)? <i>For example, changes in land-use planning can stimulate further increases in flooded land, potentially increasing the vulnerability of populations to climate change, in particular floods.</i> | No |
| Standard 3: public health, safety and working conditions | | |
| 3.1 | Could the construction, operation and decommissioning of Project elements pose a potential threat to the safety of local communities? | No |
| 3.2 | Will the project pose a potential risk to the health and safety of local communities due to the transport, storage, and use and / or destruction of hazardous or dangerous | No |

¹⁹ In terms of CO₂, "significant emissions" usually correspond to more than 25,000 tonnes per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation to Climate Change provides additional information on greenhouse gas emissions.]

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| materials (e.g. explosives, fuel and other chemicals during construction and operation)? | |
| 3.3 Does the project involve large-scale infrastructure development (eg dams, roads, buildings)? | No |
| 3.4 Could failures in the functioning of the structural elements of the Project pose a danger to local communities? (For example, destruction of buildings or infrastructure) | No |
| 3.5 Will the proposed project be sensitive to earthquakes, subsidence, landslides, soil erosion, floods or extreme climatic conditions, or could it cause increased vulnerability to such events? | No |
| 3.6 Will the Project lead to a potential increase in health risks (for example, from waterborne diseases or other vector-borne diseases or contagious infections such as HIV / AIDS)? | No |
| 3.7 Does the project pose potential health and safety risks and vulnerabilities due to physical, chemical, biological and radiological hazards arising during the construction, operation or decommissioning of Project elements? | No |
| 3.8 Does the project provide for employment or livelihood support that may not be in line with national and international labor standards (i.e. principles and standards of fundamental ILO conventions)? | No |
| 3.9 Does the Project involve the recruitment of security personnel that could pose a potential risk to the health and safety of communities and / or individuals (for example, due to lack of training or accountability)? | No |
| Standard 4: Cultural heritage | |
| 4.1 Will the proposed outcome of the project activities lead to interventions that could adversely affect sites, structures or objects with historical, cultural, artistic, traditional or religious values, or intangible forms of cultural heritage (e.g. knowledge, innovation, technology)? (Note: projects designed to protect and preserve cultural heritage can also have unintended adverse effects) | No |
| 4.2 Does the project involve the use of tangible and / or intangible cultural heritage for commercial or other purposes? | No |
| Standard 5: Relocation and Resettlement | |
| 5.1 Will the Project potentially provide for temporary or permanent, full or partial physical relocation? | No |
| 5.2 Could the Project lead to economic displacement (for example, due to loss of assets or access to resources due to land acquisition or access restrictions - even in the absence of physical resettlement)? | No |
| 5.3 Is there a risk that the Project will lead to forced evictions? ²⁰ | No |
| 5.4 Could the proposed Project affect land tenure arrangements and / or community property rights / customary rights to land, territories and or resources? | No |
| Standard 6: Indigenous Peoples | |
| 6.1 Are indigenous peoples present in the Project area (including the Project area of influence)? | No |
| 6.2 Is there a possibility that the Project or parts of it will be located on lands and territories claimed by indigenous peoples? | No |
| 6.3 Will the proposed Project potentially impact on human rights, lands, natural resources, territories and traditional livelihoods of indigenous peoples (whether the indigenous peoples have legal titles in such areas, whether the Project is located on or outside the lands and territories inhabited by the affected peoples, or whether the | No |

²⁰ Forced eviction refers to acts and / or omissions that result in the forced or involuntary displacement of individuals, groups or communities from their homes and / or their lands, and the loss by those individuals, groups or communities of the community resources that they occupied or depended on, as a result, such individuals, groups or communities are deprived of the opportunity to live or work in a particular dwelling, place of permanent residence or settlement, while they are not provided with any legal or other remedy or access to such means.

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| indigenous peoples are recognized as such by the country)? <i>If the answer to question 6.3 of the analysis is "yes", the potential impact of the risk is considered potentially serious and / or critical, and the Project will be classified as a moderate or high risk project.</i> | |
| 6.4 Has there been a lack of cultural consultation to obtain FPIC (free, prior and informed consent) on issues that may affect the rights and interests, lands, resources, territories and traditional livelihoods of affected indigenous peoples? | No |
| 6.5 Does the proposed Project provide for the use and / or commercial development of natural resources on lands and territories claimed by indigenous peoples? | No |
| 6.6 Is there a risk of forced evictions or full or partial physical or economic displacement of indigenous peoples, including by restricting access to lands, territories and resources? | No |
| 6.7 Could the project negatively affect the priority development areas identified by the indigenous peoples? | No |
| 6.8 Can the Project Affect the Physical and Cultural Survival of Indigenous Peoples? | No |
| 6.9 Can the Project affect the cultural heritage of Indigenous Peoples, including through the commercialization or use of their traditional knowledge and practices? | No |
| Standard 7: Pollution Prevention and efficient use of resources | |
| 7.1 Can the project lead to the release of pollutants into the environment under normal or non-standard conditions, with the potential for adverse local, regional and / or transboundary impacts? | No |
| 7.2 Could the proposed Project generate waste (both hazardous and non-hazardous)? | Yes |
| 7.3 Does the proposed Project involve the production, trade, release and / or use of hazardous chemicals and / or materials? Does the Project involve the use of chemicals or materials subject to international bans or phase-out? <i>For example, DDT, PCBs (polychlorinated biphenyl) and other chemicals listed in international conventions such as the Stockholm Convention on Persistent Organic Pollutants or the Montreal Protocol</i> | No |
| 7.4 Will the proposed Project involve the use of pesticides that could adversely affect the environment or human health? | No |
| 7.5 Does the Project include activities requiring significant consumption of raw materials, energy and / or water? | No |

Appendix 3. Risk register

| No | Description | Risk category | Impact and likelihood | Management countermeasures / responses | Person in charge | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|------------|--|---|---|---|------------------|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|---|--|--|--|--|--|--|---|---|---|---|---|------------|--|--|--|--|--|--|-----------------|
| 1 | Governmental or institutional changes may delay the achievement of project objectives. | Social and environmental Financial Operational Institutional Political Legal Strategic Another | <p>UNDP ERM - Risk Matrix</p> <table border="1"> <tr> <td></td> <td>5</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>5</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>4</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>3</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>2</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>1</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> </tr> <tr> <td colspan="6">Likelihood</td> </tr> </table> <p>Legend: ■ MODERATE Low</p> <p>L = 3 I = 3 Moderate</p> | | 5 | | | | | 5 | | | | | | 4 | | | | | | 3 | | | | | | 2 | | | | | | 1 | | | | | | | 1 | 2 | 3 | 4 | 5 | Likelihood | | | | | | To reduce risk, the project involves working with multiple partners and documenting knowledge (retaining and transferring knowledge through briefs, recommendations, instructions, guidelines, etc.), as well as strengthening the institutional capacity of partners so that important information and potential is preserved even with staff rotation. | Project manager |
| | 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 1 | 2 | 3 | 4 | 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Likelihood | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Possible deterioration of the economic situation may negatively affect the results of the project. | Financial | L = 3 I = 3 Moderate | The project envisages tracking the estimates and forecasts made by the Ministry of Finance in order to prevent any negative consequences from potential fluctuations. | Project manager | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Natural disasters in the coming period could disrupt agricultural | Ecological | L = 2 I = 3 Moderate | In case of natural disasters, the project team will inform partners and stakeholders on measures to minimize damage and / or adapt to the current situation. | Project manager | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | production as well as slow down trade and exports. | | | |
| 4 | Impact of the ongoing COVID-19 pandemic or similar public health crisis on the continuity and implementation of the project | Operational L= 3 I= 4 Significant | Thorough monitoring of the COVID-19 situation in the country as a whole, in the Republic of Karakalpastan and target communities The project will comply with relevant government regulations and decisions in order to reduce the health risk of project staff and stakeholders. If necessary, the implementation of project activities can be temporarily suspended in target areas during the implementation of public measures for the prevention or control of diseases. Project work plan may need to be revised. | Project manager |
| 5 | Exchange rate stability | Financial L=2 I=4 Moderate | Close monitoring of the exchange rate and, if necessary, submission of corrective measures to the Project Board | Project manager |

Appendix 4. Terms of Reference for the Project Board and Key Management Positions

A) Terms of Reference for the Project Board

Composition and organization: The project board shall execute the following three functions: (1) executive body: the person in charge of the project and chairing the group; (2) main provider: the private or legal entity representing the interests of the relevant parties who provide funding and / or technical expertise to the project, and (3) the main beneficiary: an individual or group of persons representing the interests of those who ultimately benefit from the project.

I. Specific responsibilities

1. Project initiation:

- coordination of the service duties of the Project Manager, as well as the duties of other members of the project implementation team;
- delegation of the function of Ensuring control over the quality of the project, as required;
- - review and appraisal of the detailed Project Workplan and Annual Work Plan (AWP), including reports generated in the Atlas system covering the definition of activities carried out, quality criteria, a table of issues to be resolved, an updated risk register, and a monitoring and communication plan.

2. Project implementation:

- general management and policy of the project, subject to specific established constraints;
- solution, at the request of the Project Manager, of problems arising during the implementation of the project;
- providing guidance and coordination on management countermeasures / responses to address specific risks;
- if necessary, coordination of changes made by the Project Manager within the framework of annual and quarterly work plans;
- holding regular meetings to review quarterly progress reports and providing guidance to ensure that agreed outcomes are satisfactorily achieved as planned;
- review of the Consolidated Project Implementation Reports prior to their approval by the Executive Partner;
- Evaluation of the annual report on the project review, providing recommendations for the development of the next PIU and informing the Council on the results of the review conducted;
- review and approval of the final project report and submission of recommendations for follow-up actions;
- provision of ad hoc instructions and recommendations on unplanned issues arising during the implementation of the project, when the Project Manager cannot make an independent decision due to limited authority;
- evaluation and decision-making on revision and amendments to the project.

3. Project completion:

- ensuring the satisfactory achievement of all the end results of the project;
- review and approval of the final project report, including lessons learned;
- providing recommendations for follow-up actions to be presented to the Council based on the results;
- preparation of project appraisals (in cases where this is required by the partnership agreement)
- notification of the Board on the results of the operational completion of the project.

II. Executor - National Project Coordinator

The Contractor, supported by the Main Beneficiary and the Main Supplier, is the main party responsible for the implementation of the project. The function of the Contractor is to ensure the focus of the project throughout the entire period of its implementation on the achievement of goals

and practical results, which should contribute to the achievement of the final results at a higher level. The contractor should ensure the most efficient use of project funds, including applying the most economically conscious approach, and ensure that the interests of the beneficiary and the supplier are balanced. Specific responsibilities (as part of the above responsibilities of the Project Board) include the following:

- ensuring the existence of a coherent organizational structure of the project and a logically interrelated set of plans;
- establishing terms of reference and tolerances for the Project Manager within the PIU and other plans;
- establishing terms of reference and permissible deviations for the Project Manager within the PIU and other plans;
- ensuring the most effective monitoring of risks and taking measures to mitigate their impact;
- informing the Board on the results and relevant stakeholders about the progress of the project;
- organizing and chairing Project Board meetings.

The following documents are subject to signing by the National Project Coordinator.

1. Administrative and financial documents:

- project changes (if the overall budget or duration of the project changes);
- consolidated disbursement reports;
- project asset transfer forms.

2. Project monitoring and evaluation

- minutes of meetings of the Project Council;
- Final Project Implementation Report.

III. Main beneficiary

The main beneficiary is responsible for approving the needs and monitoring that the satisfaction of these requests is carried out within the limited resources of the project. The main beneficiary represents the interests of all parties who benefit from the project, or those for whom the final results of the project activities contribute to the achievement of specific performance targets. The main beneficiary should monitor the progress towards achieving the goals in accordance with the established targets and quality criteria. Specific responsibilities (as part of the above mentioned responsibilities of the Project Board) include the following:

- ensuring that the expected practical results and related activities of the project are clearly and distinctly stated;
- ensuring consistent, from the point of view of the beneficiaries, the achievement of the practical results required by the beneficiaries;
- promoting and ensuring the focus of the expected practical results of the project;
- prioritization and presentation of views of the beneficiaries in the decisions of the Project Board on the implementation of recommendations on the proposed changes;
- resolving conflicts related to prioritization.

The responsibilities of the Principal Beneficiary to ensure the implementation and quality of the project include examination of the following:

- the needs of the beneficiary are formulated clearly, completely and unambiguously;
- the implementation of activities is monitored at all stages to ensure that they lead to meeting the needs of the beneficiary and are aimed at achieving an appropriate target;
- the impact of potential changes is assessed from the point of view of the beneficiary;
- risks related to beneficiaries are regularly monitored.

IV. Main supplier

The main supplier represents the interests of the parties that provide funding and / or technical expertise for the project (development of the project document, provision of resources and implementation of activities). The primary function of the Lead Supplier within the Council is to provide an assessment of the technical feasibility of the project. The role of the main supplier must

have the authority to allocate or receive the resources required for the implementation of the project.

Responsibilities of the main supplier (as part of the above responsibilities of the Project Board):

- Ensuring the consistent achievement of project objectives and their compliance with the supplier's requirements;
- Promoting and ensuring the focus of the project results from the point of view of the supplier's management;
- Ensuring the timely allocation of resources required for the implementation of the project;
- Representing the views of the supplier in the decisions of the Project Council on making appropriate changes to the project;
- Resolve emerging issues related to supplier prioritization or resource development;

Обязанности относительно обеспечения реализации и качества проекта направлены на:

- Advising on the choice of strategy and methods for the implementation of project activities;
- Ensuring the compliance of the project with the standards established for it;
- Monitoring possible changes and their impact on the quality of the results from the supplier's point of view;
- Ensuring risk control in terms of project implementation.

ENSURING THE IMPLEMENTATION AND QUALITY OF THE PROJECT

Overall objective: Ensuring the implementation and quality of the project is the responsibility of each member of the Project Council; however, this role can be delegated. The role of ensuring project implementation and quality assists the Project Board by performing an objective and independent monitoring function. This role ensures the timely and high-quality achievement of the intermediate project goals.

Ensuring the implementation and quality of the project should be independent of the project manager; therefore, the Project Board cannot delegate any of the responsibilities for ensuring the implementation and quality of the project to the Project Manager. Typically, the UNDP Program Analyst is responsible for Project Implementation and Quality Assurance.

Responsibilities for ensuring the implementation and quality of the project should answer the question, "What needs to be ensured / guaranteed?" The list below includes key aspects to be continuously reviewed throughout the life of the project to ensure consistency, focus and quality results:

- Acting as an active liaison between the members of the Project Council during the entire period of the project;
- Ensuring that the needs and expectations of the beneficiary are taken into account and met;
- Risk control;
- Ensuring that activities are consistent with the original design justification (Business Case);
- Ensuring compatibility of the project with the Country Program;
- Ensuring the involvement of worthy people in the project;
- Ensuring that decisions are acceptable to all;
- Ensuring the viability of the project;
- Avoiding an imperceptible "expansion" of the scale of the project;
- Ensuring the functionality of internal and external communications;
- Ensuring compliance with relevant UNDP rules and guidelines;
- Ensuring compliance with legal requirements;
- Ensuring compliance with control requirements and standards;
- Ensuring that appropriate quality management procedures are followed;
- Ensuring the timely implementation of the decisions of the Project Board and the implementation of any changes in accordance with the established procedures.

Specific responsibilities include:

1. Project initiation:

- Ensuring that the objectives and planned activities of the project, including their description and quality criteria, are properly recorded in the Project Management module of the Atlas to organize monitoring and reporting;
- Informing all stakeholders about the project;
- Ensuring the timely completion of all preparatory work, including training project personnel and organizing logistics support.

2. Project implementation:

- Ensuring the timely allocation of funds for the implementation of the project;
- Ensuring proper management of risks and concerns and regular updating of relevant tables in the Atlas;
- Ensuring regular monitoring and updating of key project information in the Atlas, including using the quality management table of activities;
- Ensuring the timely development and submission of quarterly project reports in accordance with the established format and quality standards;
- Ensuring the preparation and submission of consolidated reports on the work performed and ARSR to the Project Council and the Results Council;
- Performing monitoring functions such as periodic monitoring visits and "random checks" of projects.
- Ensuring that the Atlas panel for project delivery quality remains green.

3. Project completion:

- Ensuring the operational closure of the project in the Atlas;
- Ensuring the reflection of all financial transactions in the Atlas, taking into account the final accounting of expenses;
- Ensuring that all project accounts are closed and that the corresponding status is reflected in the Atlas.

PROJECT SUPPORT

The Project Support function provides support to the Project Manager in project management and technical support according to the needs of the individual project or Project Manager. The provision of any formal Project Support is optional. Segregation of Project Support and Project Delivery Assurance and Project Quality Assurance functions should be ensured to maintain the independence of the Project Implementation Assurance and Quality Assurance function.

Specific responsibilities: Some specific tasks of the Project Support will include:

Provision of administrative services:

- Setting up and maintaining project documentation
- Collection of data, information and documents related to the project
- Updating plans
- Administering the quality control process
- Administration of Project Board meetings

Project Documentation Management:

- Administering version control (budget revisions) of a project
- Establishment of document control procedures
- Compilation, copying and distribution of all project reports

Financial management, monitoring and reporting

- Assistance in solving financial management tasks under the responsibility of the project manager
- Provide support for the use of the Atlas for monitoring and reporting

Providing technical support services

- Providing technical advice
- View technical reports
- Control of technical activities carried out by the responsible parties

B) Terms of reference for key positions of project personnel

1. Terms of Reference for the Project Manager

| | |
|-------------------------------------|----------------------------------|
| Job title: | Project manager |
| Contract level: | NPSA 9 |
| Duration: | 1 year (with possible extension) |
| Employment status (full / partial): | Full |
| Accountability: | Lead of ECAC |

I. FUNCTIONAL RESPONSIBILITIES / KEY EXPECTED RESULTS

The Project Manager will work under the direct supervision of the UNDP Country Lead of ECA Cluster and the overall guidance of the National Project Coordinator. The project manager is responsible for the coordinated and timely implementation of activities in accordance with the annual and quarterly work plans of the Project by performing the following main functions and responsibilities:

1. General project management:

- Project management through the implementation of appropriate activities;
- Providing directions and directions to project personnel and project participants;
- Interaction with the Project Board or its representatives to ensure the implementation and quality of the project (UNDP Sustainable Development Division), to ensure the focus and integrity of the project;
- Designation and receipt of assistance and recommendations for effective management, planning and control of the project;
- Be responsible for the administrative issues of the project implementation;
- Interaction with suppliers;
- May also serve as Team Manager and Project Organizational Support.

2. Project implementation

- Planning project activities and monitoring the progress of achieving goals in accordance with the established quality criteria;
- Project management in accordance with the project document, UNDP rules and procedures;
- Coordinate and manage the day-to-day activities of the project and the overall implementation process, including planning and monitoring in order to optimize the use of resources and to ensure the successful achievement of project objectives;
- Monitor the implementation of project work plans, analyze emerging problems and take adequate measures to ensure the timely implementation of the planned tasks;
- Mobilization of goods and services for the implementation of activities, including the preparation of Terms of Reference and work specifications;
- Ensuring that the project contributes to the advancement of gender equality in project activities by reaching, engaging and achieving benefits for both women and men (gender mainstreaming).
- Monitoring the implementation of activities in accordance with the Monitoring and External Relations Plan and updating the plan as necessary;
- Monitoring the use of financial resources to ensure the correctness and reliability of financial statements;
- Management and monitoring of potential project risks, previously identified in the Project Documentation approved by the National Assessment and Launch Council (NALC), introducing new risks to the Project Board for consideration and, if necessary, taking action; updating the status of these risks by constantly filling and managing the table of possible project risks;
- Be responsible for managing issues and requests for changes to the project by continually completing and managing the project issue table;
- Preparation of quarterly project implementation reports (achieved results in relation to planned goals, updating of risk and problem tables, expense report) and its submission to the Project Board and to the unit responsible for Project Implementation and Quality Assurance (UNDP Sustainable Development Cluster);
- Preparation of the annual project report and its submission to the Project Board and the Results Board (UNDP Sustainable Development Cluster);
- Preparation, based on the report, a work plan for the next year, as well as quarterly work plans as required.

3. Closure of the Project

- Preparation of final project reports for subsequent submission to the project council and the results council;
- Identifying next steps and submitting them to the Project Board;
- Organization of transfer of project results, documents, files, equipment and materials to national beneficiaries;
- Preparation of a consolidated report of work performed and other necessary reports for consideration by UNDP and implementing partners

II. COMPETENCE AND CRITICAL SUCCESS FACTORS

I. Corporate skills:

- Consistency with the commitments, approaches and values of the UNDP mission;
- Tolerance and adaptability to cultural, gender, religious, racial, national and age differences;
- Sincerity and appropriate ethics;
- Possession of corporate knowledge and judgment;
- Self-improvement ability and initiative;
- Leadership qualities and ability to manage teamwork;
- Fostering trusting relationships and effective communication in the team;
- Taking initiative to ensure synergy;
- Conflict Situations Management;
- Striving to acquire and transfer knowledge, as well as the ability to stimulate others to acquire knowledge;
- Making transparent decisions.

II. Functional skills:

1. *Building contacts and partnerships*

- Excellent oratory and managerial skills within the group dynamics, as well as appropriate management of the situation in the event of conflicts of interest of various parties;
- Excellent writing and analytical skills, as well as the ability to synthesize results and related project research to prepare quality project reports;
- Trust and partnership in cooperation with the leading personnel of international and donor organizations, as well as governmental and non-governmental organizations.

2. *Knowledge management and training*

- Stimulating the processes of sharing knowledge and learning culture in the project team through leadership qualities and personal example;
- Active leadership of the project team;
- Possession of leadership qualities and the ability to self-govern;
- Focusing on achieving the results required by the customer and providing positive feedback;
- An energetic, positive and constructive attitude towards implementing consistent work approaches;
- The ability to remain calm, humorous and in control, even under extreme circumstances;
- Competence and ability to build team spirit, as well as the ability to motivate the project team to deliver relevant results in a timely and transparent manner.

3. *Operational efficiency*

- Ability to organize and solve multifunctional tasks in accordance with the established priorities;
- Ability to manage large volumes of work with possible time constraints.

4. *Working Knowledge / Technical Competence*

- In accordance with the position held, an understanding of the main processes and methods of work;
- Ensuring the process of updating working knowledge through self-study and other means of acquiring knowledge;
- Demonstration of good knowledge of information technology as per the work assignment.

5. *Leadership and self-management*

- Build strong relationships with customers, focusing on impact and outcomes for customers, and providing positive feedback;
- An energetic, positive and constructive attitude towards implementing consistent work approaches;
- Demonstration of good writing and speaking skills.

III. REQUIRED QUALIFICATIONS

Education: Bachelor's / Master's Degree in Labor Economics, Business Management, Public Administration and Other Relevant Areas

Experience: At least 3 years of progressive work in economics and / or project management in the field of economic development / corporate and private enterprise development or rural development.
Experience in a development organization will be considered an asset.

Language proficiency: Fluency in English, Russian and Uzbek.

Other: Ability to use information and communication technologies as a tool and resource;
Experience in the electronic control system.

2. Terms of Reference of the Administrative and Financial Assistant

| | |
|-------------------------------------|--|
| Job title: | Administrative and financial specialist |
| Contract level: | NPSA 7 |
| Duration: | 1 year (with possible extension) |
| Employment status (full / partial): | Full |
| Accountability: | Project manager |

I. FUNCTIONAL RESPONSIBILITIES / KEY EXPECTED RESULTS

Under the direct supervision of the Project Manager, the Administrative and Financial Assistant will provide financial services to ensure high quality, accuracy and consistency in work. The Administrative and Financial Assistant will work closely with national partners, the project, the operations and program departments of the UNDP office through the following roles and responsibilities:

- Be responsible for logistics, travel arrangements, and hiring project staff, in accordance with corporate rules and UNDP requirements;
- Encouraging understanding and promotion of gender equality among project staff and partners;
- On the basis of consultations with the project manager and the UNDP Business Center, carry out the procurement in accordance with the rules and procedures of the UNDP;
- Preparation of all financial and administrative documents required for project implementation in accordance with UNDP rules and procedures;
- Preparation of all financial and administrative documents related to the implementation of the project in accordance with UNDP rules and procedures, budgeting of costs and obligations for the project;
- Preparation of quarterly and annual budget plans for recruiting staff; execution and storage of financial statements, and maintenance of the monitoring system for recording the corresponding expenses, balances, payments and other data on daily financial activities and preparation of reports;
- Assistance to project staff, experts and consultants in matters of financial costs, advance payments, transportation costs and other financial and administrative costs, preparation and authorization of payments for the services provided;
- Preparation of detailed cost estimates, participation, if necessary, in budget analysis and forecasting to support the financial operations of the project, alignment of all accounts within the required time frame;
- Processing, updating the list and keeping records of intangible assets in accordance with UNDP requirements;
- Execution of duties of a cashier, responsibility for the distribution of the project-based cash flow, keeping records of the cash book and payment orders of regional divisions;
- Monitoring of vacations of project employees, checking the correctness and appropriate filling of the monthly report card on the presence at the workplace, vacations, absences at the work place due to illness, etc.;
- Analyzing potential administrative and financial issues and taking the necessary steps to ensure that sufficient resources are available to carry out the tasks assigned to the project;
- Identifying effective measures to optimize the use of project resources;
- Ensuring full compliance of administrative and financial processes and financial reporting with the UNDP requirements, policy and strategy;

II. REQUIRED QUALIFICATIONS

| | |
|-----------------------|---|
| Education: | Higher education in the field of Business Administration, Finance and / or Economics; |
| Experience: | Minimum 2 years of relevant work experience; |
| Language proficiency: | Fluency in English and Russian (written and oral), knowledge of the Uzbek language will be considered an advantage. |
| Other: | Ability to use information and communication technologies as a tool and resource; Knowledge of development issues, human rights (including women's rights), knowledge of basic gender concepts and problems in the country; Knowledge and experience of gender mainstreaming will be considered an asset; Experience in electronic control system. |

3. Terms of Reference for the Technical Coordinators of Components 1, 2 and 3 of the project

General information

Under the general guidance of the Project Manager, the Technical Coordinators of Components 1, 2 and 3 oversee the technical and operational execution of the relevant components, ensuring high quality, accuracy and consistency of work in accordance with the approved work plan. The Technical Coordinator of the Component works in close cooperation with representatives of the government, the Ministry of Agriculture, local administration, farmers and dekhkan farms of target districts, scientific and research institutes of the Republic of Uzbekistan and the Russian Federation, administrations of educational institutions, private sectors, representatives of local communities, the UNDP cluster for sustainable development for sharing information and ensuring consistent delivery of services, and also assumes day-to-day responsibility for operational and professional support of the relevant Project Component for the satisfactory achievement of the assigned tasks and target indicators. Technical coordinators have experience and relevant education in (1) increasing the productive capacity of the agricultural sector and ensuring the resilience of local farmers and dekhkan farms to climate change, (2) developing the capacity of local farmers and dekhkan farms to export local products to Russia and other countries, and (3) improving social infrastructure and providing rural communities with access to basic social services.

Thematic functions: provision of technical and administrative support for the implementation of Component 1, 2 or 3 of the project, including all outputs (see the Project Strategy and Results and Partnerships sections for details)

Administrative support:

Assistance in project launch, regular monitoring of project progress and proposals for adaptive project management

- Providing assistance to the PM with the launch of the project, organizing a kick-off seminar, preparing a report on the results of the seminar;
- Coordination of actions with the PM and the project team for planning, monitoring the implementation of project activities within the framework of the relevant component, identifying emerging technical problems and suggesting ways to solve them;
- Participate in project council meetings and other project coordination events;
- Assisted in documenting key lessons and developing a plan for replicating successful experiences to other regions and communities in the Republic of Karakalpakstan. Also assists in the development of methodologies describing successful approaches / practices for wide dissemination and application of project results and lessons learned;
- In collaboration with the project team and the country office, UNDP will assist in the development of an exit strategy for partners and stakeholders and its presentation at the PC meeting for approval.

Assisting with planning, project staff recruitment, monitoring and evaluation

- Provide technical assistance to the PM in the preparation or revision of key planning and evaluation documents such as annual work plan, annual report, quarterly component progress reports, monitoring mission reports, etc.;
- Assists in the development of the relevant Terms of Reference and the selection of qualified national and international experts and organizations required to provide consulting services under the relevant component;
- Support of the Project Manager in the preparation and conduct of mid-term and final evaluations (ToR, selection of suitable candidates, organization of meetings with national, regional and local partners and stakeholders, accompanying field missions, if and when required, participation in meetings with the evaluator, etc.)

Appendix 5. Letter of agreement on the provision of direct services

STANDARD LETTER OF AGREEMENT BETWEEN UNDP AND THE MINISTRY OF AGRICULTURE OF THE REPUBLIC OF UZBEKISTAN ON PROVIDING SUPPORT SERVICES FOR

UNDP project "Enhancing the resilience of the local population and promoting green, inclusive development of the most vulnerable communities in the Aral Sea region" (Project number # 00138596)

Dear Mr. Khodjaev!

1. Reference is made to consultations between officials of the Ministry of Agriculture of the Republic of Uzbekistan (hereinafter referred to as "MOA RUz") and UNDP officials in relation to the provision of support services by the UNDP Country Office for programs and projects managed at the national level. The United Nations Development Program (UNDP) and MOA RUz hereby agree that UNDP Office may provide support services for a project managed at the national level at the request of MOA RUz, as described in the project document between UNDP and MOA RUz under the UNDP Project **Enhancing the resilience of the local population and promoting green, inclusive development of the most vulnerable communities in the Aral Sea region" (Project number#00138596)** (hereinafter - the "Project"), to be implemented by the Ministry of Agriculture of the Republic of Uzbekistan.

2. UNDP Country Office can provide services to assist in meeting reporting requirements and direct payments. When providing these services, the UNDP Office undertakes to ensure the strengthening of the capacity of the Ministry of Agriculture of the Republic of Uzbekistan to independently carry out such activities. The costs of the UNDP Country Office related to the provision of such support services will be reimbursed from the administrative budget of the Project.

3. The costs of the UNDP Country Office related to the provision of such support services will be reimbursed from the administrative budget of the Project:

- (a) Implementation of quality assurance activities, program management, provision of project advisory services;
- (b) Provision of services in the field of recruiting personnel, conducting trainings and seminars, procurement of goods and services, making payments, communication and other administrative services, including travel arrangements.

4. The procurement of goods and services and the recruitment of Project personnel by the UNDP Country Office will be carried out in accordance with UNDP regulations, rules, policies and procedures. The above mentioned support services listed in clause 3 will be detailed in the annex to the project document, in the form provided in the Appendix to this letter of agreement. If the UNDP Office changes the requirements for support services during the Project cycle, the corresponding annex to the project document will be revised by mutual agreement of the UNDP Resident Representative and the Ministry of Agriculture of the Republic of Uzbekistan.

5. Relevant provisions of the Standard Basic Assistance Agreement (SBAA) between the Government of the Republic of Uzbekistan and UNDP, signed by the Parties on June 10, 1993 and including provisions on responsibilities, privileges and immunities, should apply to the provision of such support services. The government retains overall responsibility for the Nationally Managed Project through the Ministry of Agriculture of the Republic of Uzbekistan. The responsibility of the UNDP Country Office for the provision of the support services described in this letter of agreement

should be limited to the provision of those support services that are listed in the annex to the project document.

6. Any claims or disputes arising under or in connection with the provision of support services by the UNDP Country Office in accordance with this letter of agreement shall be dealt with in accordance with the relevant provisions of the SBAA.

7. Reimbursement of the costs associated with UNDP Country Office support services as described in paragraph 3 above should be specified in the annex to the project document.

8. The UNDP Country Office should provide reports on the progress of support services, as well as report on costs reimbursed in the provision of such services, if required.

9. Any changes to these agreements must be made by mutual written agreement of the parties to this agreement.

10. If you agree with the terms set out above, please sign and return to this office two signed copies of this letter. After signing, this letter of agreement will be an agreement concluded between the Ministry of Agriculture of the Republic of Uzbekistan and UNDP regarding the conditions for the provision of support services from the UNDP Representative Office for the implementation of the Project.

On behalf of the Ministry of Agriculture of the Republic of Uzbekistan:

On behalf of UNDP:



[Signature]
Mr. Khodjaev Jamshid Abdukhakimovich,
Minister of Agriculture of the Republic of Uzbekistan



[Signature]
Ms. Matilda Dimovska
Resident Representative
UNDP Uzbekistan

Date: 7 March 2022

Date: 7 March, 2022

DESCRIPTION OF SUPPORT SERVICES PROVIDED BY UNDP OFFICE

1. We hereby refer to the consultations between the MOA RUz and UNDP on the provision of support services on behalf of the UNDP Country Office for the implementation of the project to be managed at the national level, **Enhancing the resilience of the local population and promoting green, inclusive development of the most vulnerable communities in the Aral Sea region” (Project number#00138596)** (hereinafter - "Project").
2. In accordance with the provisions of the letter of agreement signed [_____], and the project document, the UNDP Country Office will provide support services for the Project as described below.
3. Support Services Provided:

| Support Services | Support Service Delivery Plan | UNDP support service delivery costs | Costs and Reimbursement Methods of UNDP Support Services |
|---|-------------------------------|---|---|
| 1._ Targeted support for the implementation of development programs and projects | Permanent | Based on individual workloads and timesheets of the employees of the Representative Office involved | According to the allocated funds indicated in the Annual Work Plan through direct personnel costs |
| 2._ Carrying out activities to support implementation: <ul style="list-style-type: none"> · Time spent by the staff of the Communication Department communicating about development results and outcomes in the context of specific development programs and projects · Time spent by HR staff recruiting, selecting, hiring, contracting and / or administering project personnel · The time spent by the employees of the Procurement Department for the purchase of goods and services on behalf of the project, as well as the implementation of the entire cycle of procurement tasks, including transportation, storage, distribution, receipt of goods on site, customs clearance, logistics issues, etc. · Time spent by Finance staff on | On request | Based on individual workloads and timesheets of the employees of the Representative Office involved | According to the allocated funds indicated in the Annual Work Plan through direct personnel costs |

| | | | |
|--|-----------|---------------|---------------|
| requests for direct payments on projects · Time spent by program specialists, as well as other employees of the Representative Office directly on the implementation of the program and participation in development results. | | | |
| 3._ Country Program Strategic Planning and Quality Assurance | Permanent | Same as above | Same as above |
| 4._ Program development and management | Permanent | Same as above | Same as above |
| 5._ Consulting services for program activities | Permanent | Same as above | Same as above |

4. The description of the roles and responsibilities of the parties involved is regulated in accordance with the project document.