

Management Response to Evaluation of United Nations Cooperation Framework by United Nations Country Team Uzbekistan

1. United Nations Country Team (UNCT) in Uzbekistan welcomes the evaluation conclusions and forward-looking and action-oriented recommendations that will inform the design of the Cooperation Framework for 2021-2025 and broadly, institutional learning, including UN programming, coordination and financing;
2. As the evaluation pointed out, while the UN's technical and policy advice, advocacy and capacity building interventions have contributed to significant development gains in Uzbekistan, the UNCT has been facing a challenge of data availability and reliability that has been a cross-cutting concern in the UNDAF. Amidst other factors, the data gap has imposed a significant constraint to achievements of results under a few outcomes and made other achievements invisible due to the large portion of indicators which cannot be measured;
3. The UNCT notes the Conclusion 1 on *Relevance* that the current UNDAF is broadly relevant to the country context and is aligned with the current national development priorities; and agrees that youth should feature as one of priority interventions area in the next UNSDCF cycle along with the data issue;
4. The UNCT also agrees with the Conclusion 2 *Effectiveness – Outcome Progress* that UNDAF achievements have been under-reported due to a results framework not completely capturing outcomes, that as mentioned above was caused by lack of relevant data;
5. The UNCT notes the Conclusion 3 *Effectiveness-Partnership* that UN's long-standing partnership with Government is one of its comparative advantage that needs to be further leveraged in order to catalyze other partnerships with development actors. The UNCT also accepts the recommendations to strengthen partnership with local partners, including civil society/CSOs and private sector/business;
6. The UNCT considers the Conclusion 4 *Effectiveness – Financing* to be a system-wide and thus it needs to be addressed to the UN Development Coordination Office at HQ level (DCO) for their consideration and guidance;
7. The UNCT takes a note of the Conclusion 5 *Effectiveness – Financing* that during the evaluation almost half of the UNDAF interventions have appeared to be unfunded however it may not portray an accurate picture due to incomplete information on resource mobilization and budget expenditures under the UNDAF reported by the UN agencies;

8. The UNCT also considers the Conclusion 6 *Efficiency* to be addressed to the HQ level as reduction of transaction costs is linked more to harmonization of business processes, including programming and reporting procedures and structures;
9. The UNCT takes a note of the Conclusion 7 *Sustainability* that sustainability indicators for the UNDAF results are mixed, and the incomplete institutionalization of the capacity building and ongoing partner capacity gaps pose a sustainability risk;
10. The UNCT acknowledges the Conclusion 8 *UN Comparative Advantage* that the UN has well leveraged advantages in the normative areas, and as an advocate for the SDGs, a provider of high-level technical expertise and an honest broker with strong convening power. At the same time, the UNCT agrees that a critical self-assessment of its comparative advantage on regular basis would be helpful to remain relevant and responsive to emerging national priorities;
11. The UNCT notes the Conclusion 9 on Delivering as One cohesion but considers that the DaO scorecard revisited by the evaluation does not portray an accurate picture of the DaO implementation in Uzbekistan, at least for SOP elements on Results Groups (SOP element 3), a medium term Common Budgetary Framework (SOP element 4), Annual Common Budgetary Framework (SOP element 5), and Country Communication Group (SOP element 13). At the same time, the UNCT agrees that regular awareness raising for all UN staff on DaO approach would benefit to the greater DaO coherence.

Responses to recommendations

<p>Recommendation 1</p> <p>Relevance: When formulating the new UNSDCF, ensure its relevance to the Uzbekistan context and its alignment with UN reforms:</p> <ol style="list-style-type: none"> 1. Use an ecosystem approach to strengthen UNSDCF synergies with, and minimize duplication of, other DPs activities 2. Develop a streamlined results framework with no more than five outcome areas and with clear alignment to national SDGs; both the Uzbekistan MAPS as well as the global Agenda 2030 suggest possible themes for outcomes. Reference UNDAF outputs and output indicators only in Joint Work Plans (JWPs) 3. Formulate an overarching Theory of Change (ToC) for the UNSDCF as well as Theories of Change for each Outcome Area for greater cohesion. Noting that the current understanding of RBM among the UN team is uneven, it is recommended that external expertise be engaged for both of these tasks 4. More explicitly support national priorities on youth employment readiness and job creation by featuring youth prominently in at least one outcome statement, in addition to the planned JP NEET 5. Pursue more integrated programming approaches for SDG acceleration 6. Conduct a critical self-assessment of UN comparative advantages to realistically inform planning, programming and financing in the new UNSDCF, as well as to ensure relevance in the rapidly evolving Uzbekistan context 		<p>Accepted / Partially accepted / Rejected</p> <p>All are accepted</p>	
Actions to be taken	Responsible entities	Timeframe and status	Resource implication
Conduct consultations on key strategic priorities of the new Cooperation Framework with development partners and IFIs to ensure synergies and minimize duplication	UN RCO	January 2020 (Done)	
Formulate an overarching Theory of Change (ToC) for the Cooperation Framework and Theories of Change for each strategic priority to ensure greater	UNCT with support of UN RCO	January – February 2020 (Done)	n/a

cohesiveness and integrated programming approaches for SDG acceleration			
Develop a streamlined Results Framework with no more than five outcomes informed by CCA, and drawn on MAPS recommendations and the national SDGs and targets	UNCT, CCA Team, M&ED Group	January – February 2020 (Done)	n/a
Integrate national priorities on youth employment and job creation in the UNSDCF, at least one outcome statement, and feature youth as key beneficiaries across Cooperation Framework	UNCT, CCA Team	January – February 2020 (Done)	n/a
Establish indicator framework based on the national SDG indicators, that are measurable, with baseline data available and targets set in consultations with Government, to allow for enhanced monitoring and reporting	CCA Team, M&ED Group	March – May 2020 (in progress)	n/a
Seek expertise and consult with Regional DCO and Peer Support Group on ToC and outcomes formulated to ensure they are articulated in the RBM language	UN RCO	April 2020 (in progress)	n/a
Conduct a self-assessment of UN comparative advantages as part of UNCT Configuration process based on consultations with Government and relevant counterparts	UNCT with support of RCO	March- May 2020 (in progress)	n/a
Review and update the self-assessment of UN comparative advantages during the Cooperation Framework annual review	UNCT with support of RCO	Beginning of each year	n/a
Develop the Joint Work Plans with a reasonable number of outputs and measurable indicators	UNCT, UN Results Groups, M&ED Group	June – August 2020	n/a

<p>Recommendation 2 Effectiveness: Strengthen the effectiveness of the UNDAF in the areas of Financing and Partnership:</p> <p>1. Widen the UNDAF's resource base:</p> <ul style="list-style-type: none"> • Increase the UNCT's level of understanding on innovative financing options and how they can support SDG, through guidance and training from a recognized UN partnership authority such as the UN Global Compact, the UNOSSC or the UN DESA Financing for Development Office, among others • After the 2019 DFA, co-create an UNDAF/UNSDCF financing strategy in collaboration with the GoU, including forms of development financing beyond traditional multilateral aid such as non-DAC donor funding, SSC, domestic revenue mobilization, private sector partnerships and blended financing options 	<p>Accepted / Partially accepted / Rejected</p> <p>All are accepted</p>
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Explanation			
Actions to be taken	Responsible entities	Timeframe	Resource implication
Through and with support UNDCO Regional Office, learn about perspectives to engage in and promote Participation Finance (Islamic Finance)	RCO	April -October 2020	Travel expenses, budget of RCO and UN entities
Through UNDCO engage with relevant UN entities (UNDESA, UNOP, UN Global Compact) as well as external actors e.g. CIBAFI, to receive guidance and knowledge on innovative financing and partnership	RCO	March – December 2020	tbd
Finalize the Development Finance Assessment (DFA)	UNDP	April – June 2020	UNDP and RCO budget
Develop SDG Financing Strategy for new Cooperation Framework based on the DFA outcomes and in consultations with national stakeholders and development partners/ donors	RCO and UNDP	July – September 2020	tbd
Based on the DFA, identify innovating financing options and partnership approaches to reflect in the SDG	RCO	July – September 2020	n/a

Financing Strategy and Funding Framework for Cooperation Framework			
Conduct review of the Funding Framework implementation as part of the Cooperation Framework Annual review to identify funding gaps	RCO, with support of UN Info Focal points and OMT	Annually, Q1	n/a
Initiate periodic funding dialogues with donors and other partners to address the funding gap of the Cooperation Framework	RCO	Annually, Q1	Tbd
<p>Recommendation 2 Effectiveness: Strengthen the effectiveness of the UNDAF in the areas of Financing and Partnership:</p> <p>2. Build closer interaction with the private sector:</p> <ul style="list-style-type: none"> ○ Map and explore community investment initiatives with local and international private sector actors ○ Consider initiating an informal private sector advisory committee under the leadership of the RC ○ Explore establishing a UN-led multi-stakeholder partnership platform such as an SDG Partnership Platform to catalyze and broker partnerships ○ Leverage current financial and non-financial private sector partnerships for additional financing <p>3. Continue to engage with Government and other relevant stakeholders for the development of a regulatory framework for Islamic finance</p> <p>4. Further strengthen partnerships with IFIs, for example, through extension of cross-cutting UNDAF thematic groups, such as extending the UN GTG into a cross-sector GTG with other DPs</p> <p>5. Pursue more pooled funding, including thematic trust funds such as the JP Aral Sea MPHSTF</p>		<p>Accepted / Partially accepted / Rejected</p> <p>All are accepted</p>	
Explanation			
Actions to be taken	Responsible entities	Timeframe	Resource implication

Organize consultations with business stakeholders to explore the opportunity for private sector engagement and partnerships and inform the SDG Financing Strategy	RCO with UNDP support	July – September 2020	Tbd
Explore community investment initiatives with local and international private sector actors as part of the SDG Financing Strategy	RCO with UNDP support	Q4 2020	n/a
Set up a dialogue platform with engagement of interested business partners to sensitize on the SDG and promote the SDG-oriented business solutions and private investments for the SDG	RCO with RG support	Q4 2020	tbd
Extend invitation to Development Partners and IFIs to participate in the UN Results Group and Thematic Groups	UN lead agencies/chairs of UN Results Groups	Q3 2020	n/a
Provide policy advice and technical assistance to Government in establishing institutional and regulatory framework for selected financial instruments, including Islamic Finance	UNDP, UN RCO	Through 2020-2021	Tbd
Explore financing opportunities from global joint funds, such as the Migration Fund, and the Joint SDG Fund, among others, for joint programmes and initiatives in line with the national SDGs and Cooperation Framework priorities	RCO	Ongoing	n/a
<p>Recommendation 3 Strengthen the effectiveness of the UNDAF in the areas of</p> <p>Budget Reporting 1. Agencies must continue to lobby their regional and headquarters offices for a harmonized approach to UNDAF budget reporting that is mutually-acceptable to both agencies' HQs and to DCO</p>			<p>Accepted / Partially accepted / Rejected</p> <p>All are accepted</p>

<p>Monitoring and Evaluation</p> <p>2. Noting agency staff turnovers, provide annual RBM training to programme and M&E staff to ensure that there are necessary competencies in this area</p> <p>3. Recognizing that the current level of understanding of RBM principles among the UN team is uneven, engage external expertise to guide the development of ToCs for the UNSDCF and for each of its Outcome Areas (see also above, Relevance)</p> <p>Knowledge Management</p> <p>1. Strengthen UNDAF knowledge management and RCO's role as an UNDAF One Stop Shop by archiving all UNDAF-related documents not included in the UNINFO system, including RG minutes and joint monitoring reports, with RCO</p>			
Explanation			
Actions to be taken	Responsible entities	Timeframe	Resource implication
Clarify approaches in budget planning and reporting structures across UN system at individual agency level	RCO with OMT support	May – July 2020	n/a
Seek DCO guidance on harmonized approach to the budget reporting under the UNDAF and Cooperation Framework	RCI	May – July 2020	n/a
Include RBM training in learning plans of UN programme and operations staff as part of their Performance management cycle	UNCT	Ongoing	n/a
Organize a training of trainers on RBM for M&ED members to become a resource group on RBM	RCO	August-September 2020	Tbd
Organize annual training on RBM refreshment for inter-agency UN Groups	M&ED Group	Yearly in Q4	tbd
Seek DCO and PSG guidance and advice on development of the ToC for new Cooperation Framework and strategic priorities	RCO	February – April 2020 (in progress)	n/a
Set up and maintain UN archive to include all documents/materials pertaining to implementation of the Cooperation Framework and functioning of the inter-agency UN groups	RCO with support of RG/TG secretariats	Ongoing	n/a

<p>Recommendation 4 Strengthen the effectiveness of the UNDAF in the areas of: Results Groups 1. Introduce co-chairs and rotating chairs for the RGs DaO 1. Raise the awareness of all UN staff on this approach and on its implications for operations, programming, financing and partnership through available organizational windows such as the staff induction process</p>	<p>Accepted / Partially accepted / Rejected</p> <p>All are accepted</p>
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Explanation

Actions to be taken	Responsible entities	Timeframe	Resource implication
Introduce co-chairing and rotating chairing arrangements for UN Results Groups and Thematic Groups under new Cooperation Framework	UNCT	Since Jan' 2021	n/a
With support of RCO, introduce session on Delivery as One Approach to briefing/induction package for all newcomers across UN agencies	OMT	Before of Dec' 2020	Tbd

<p>Recommendation 5 Efficiency: Strengthen the UNDAF's operational efficiency in the areas of budget: Develop and implement a Common Budgetary Framework (CBF) which presents transparent data on financial resources required, available, expected and to be mobilized.</p>	<p>Accepted / Partially accepted / Rejected</p> <p>Accepted</p>
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Explanation

Actions to be taken	Responsible entities	Timeframe	Resource implication
Seek clear guidance on budget information structure both for a multi-year and annualized Funding Frameworks to ensure harmonized approach	RCO	May-June 2020	n/a
Develop a Funding Framework at two levels: (1) a multi-year Funding Framework covering the full duration of the Cooperation Framework, and (2) annualized Funding Frameworks with accurate projection of annual financial resource requirements, funding availability	UNCT	July – September 2020	n/a

and funding gaps by type of source, based on the most up-to-date financial information from UNCT members and progress in resource mobilization of the UN system			
Monitor and update the Annual Funding framework as part of Joint Work Plans	RCO through UN Info Focal points	Yearly Q1	
Annually update the multi-year Funding Framework based on the data in the finalized annual Funding Framework	UNCT and RGs	Yearly Q1	
<p>Recommendation 6</p> <p>Sustainability: Mitigate sustainability risks:</p> <ol style="list-style-type: none"> 1. Reduce the sustainability risks related to the ongoing restructuring of Government ministries and high Government staff turnover by regularly assessing capacity gaps and by providing capacity development based on identified needs 2. Provide a brief explanation of UNDAF aims and coordination structures at the commencement of each Joint RG meeting to ensure new members have a basic understanding of it 		<p>Accepted / Partially accepted / Rejected</p> <p>Accepted</p>	
Explanation			
Actions to be taken	Responsible entities	Timeframe	Resource implication
Conduct institutional capacity gap assessment through annual CCA update and Cooperation Framework performance review	UNCT and RGs/TGs	Yearly Q4 for CCA and Q1 for annual CF review	n/a
Based on the assessment, identify capacity development needs and actions to reflect in the updated Joint Workplans	RGs/TGs	Yearly Q1-2	Adjustments in ABF
Introduce a standard agenda for extended RG/TG meetings, with a standing point on Cooperation Framework implementation architecture	RGs/TGs	Ongoing	n/a