Minutes
of the Third Meeting of the Steering Committee
of the UN Multi-Partner Human Security Trust Fund for the Aral Sea Region
in Uzbekistan

Tashkent

Time: 15:00 – 16:45

16 December 2019

Agenda:

- Brief presentation on implementation of the projects funded by the MPHSTF;
- Updates on resource mobilization within the MPHSTF;
- Brief speeches by the Donors on contributions to the MPHSTF: Commitments and perspectives;
- Presentation of the MPHSTF Funding Framework;
- Establishment of the Advisory Committee on Sustainable Development of the Aral Sea region;
- Discussion of the EIB’s 100 mln. euro worth loan within MPHSTF;
- Endorsement of the Steering Committee composition based on the decision, regarding the evolution of the composition, made at the second Steering Committee meeting;
- The date of the second Call for Proposals and confirmation of priority directions for the Call;
- Endorsement of the MPHSTF Technical Secretariat AWP and budget for 2020.

I. Opening remarks

Opening the Third Steering Committee meeting, Mr. Elyor Ganiev, Deputy Prime Minister of Uzbekistan, greeted all the participants of the meeting. Mr. Ganiev informed the participants about measures taken by the Government to mitigate the negative consequences of the Aral Sea crisis since the Second Steering Committee meeting.

He noted that immense afforestation activities are being carried out on the dried Aral Sea bed within the Government’s Decree "On measures to accelerate the creation of a" green cover "- protective forest plantations on the dried-up bottom of the Aral Sea". In winter-spring period of 2018-2019, almost 500 thousand hectares were covered with protective forest plantations and another 700 thousand ha would be covered with green cover in the next season. During 2019 more than 100 billion soums were allocated for these purposes from the state budget.

He also informed the participants about attraction of foreign direct investments into the region saying that 59 projects with a total amount of USD 709 mln. were expected to be implemented in the region - including from Republic of Korea (USD 408 mln.), China (USD 161 mln.), Saudi Arabia (USD 7 mln.) etc. These projects will be implemented in such spheres as energy, construction materials and textile, chemical, food industries.

Mr. Ganiev indicated that USD 472 mln. worth projects had been implemented and USD 963 mln. worth social infrastructure projects were planned to be implemented to improve roads, access to drinking water and sewerage system.
In the opening remarks, he briefly referred to the consultative meeting of the Heads of the Central Asian states held in Tashkent on November 29, 2019. The Heads of the CA states highlighted importance of regional cooperation in conservation of environment, countering climate change consequences including using the capacity of the UN Multi-Partner Trust Fund.

Mr. Ganiev during his speech emphasized Uzbekistan President's initiative on declaring the Aral Sea region as a zone of environmental innovations and technologies. In this context, he recalled a High Level International Conference: “Aral Sea Region – a Zone of Environmental Innovations and Technologies” held in Nukus in October 2019 under the auspices of UN. He said that the participants of the Conference supported the establishment and further operation of the UN Multi-Partner Trust Fund, as well as Uzbekistan’s initiative on adopting Special UN General Assembly Resolution. He called upon PUNOs to support promotion of the Uzbekistan Government’s initiative.

Within the framework of this Conference, the representatives of Korean, German, Sweden, Finnish Governments as well as EU and European Investment Bank made joint statement on elaboration of the issue of attracting government and private funds for construction of the multidisciplinary hospital in Muynak district of Karakalpakstan. Mr. Ganiev said that the Government was interested in conducting assessment of the health conditions and needs of the population in health care services in northern areas of Karakalpakstan and in development of the detailed Concept and ToR of the hospital by the respective UN agencies (WHO, UNICEF and UNFPA).

Mr. Ganiev informed the participants about the visit of the President of the Republic of Uzbekistan to Karakalpakstan in August 2019. During the visit, the activity of the UN Multi-Partner Trust Fund was presented to him. Following the presentation the President instructed to take immediate measures on effective organization of the MPHSTF activity including mobilization of resources.

Mr. Ganiev specifically referred to establishment of an Advisory Committee on Sustainable Development of the Aral Sea region, as foreseen in the Fund’s terms of reference, noting that this would contribute to expansion of the unified platform’s coverage and constructive dialogue among the Government, IFIs, donor countries, civil society and other partners.

He noted that a complex funding of the projects using various sources and mechanisms of financing (grants to the MPHSTF, funds within parallel financing schemes, loans and blending financing mechanisms) would play significant role in addressing environmental and socio-economic issues in the region. Such an approach would enable effective leverage of the MPHSTF platform for resource mobilization and targeted funding of the Unified Development Strategy for the Aral Sea region.

He expressed the Government's readiness to create favorable conditions for Participating UN organizations for effective cooperation with the Interagency Working Group on elaboration and evaluation of project proposals to ensure successful mobilization of technical assistance grants and loans.

In conclusion, he once again thanked Ms. Helena Fraser, representatives of the UN agencies, donor countries, ministries and departments, NGOs and other partners for their attendance in the meeting.

In her brief opening remarks, Ms. Helena Fraser, UN Resident Coordinator in Uzbekistan, welcomed Deputy Prime Minister of Uzbekistan, representatives of donor countries, Participating UN organizations and other partners at the Third Steering Committee meeting. She also thanked Mr. Ganiev for a detailed overview of the efforts taken by both the Government of Uzbekistan and international community on addressing the Aral Sea crisis related problems.
She reminded that two project proposals were approved at the Second Steering Committee meeting for funding and also welcomed the launch of a third project of USD 3.2 mln. "Building the Resilience of Local Communities Against Health, Environmental and Economic Insecurities Caused by Environmental Destruction in the Aral Sea Region" funded by the Government of Japan which will be implemented within the parallel funding scheme, but under the umbrella of the MPHSTF Programmatic Framework.

II. Brief presentation on implementation of the projects funded by the MPHSTF

Ms. Matilda Dimovska, UNDP Resident Representative in Uzbekistan, made brief presentation on the progress so far within the UNDP and UNESCO joint project "Addressing Urgent Human Securities in The Aral Sea Region Through Promoting Sustainable Rural Development". She reminded that the project objectives cover providing population with the clean drinking water, rural population and their livelihood, tourism, collecting and analyzing data from the dried Aral Sea bed. It is implemented in the Takhtakupir district and 3.2 thousand rural population is covered by the project.

The project started in September and so far, the following progress has been achieved:

- Architectural planning for actual construction conducted – designs were made. Planning to announce tender in January 2020 and start actual work in April 2020;
- Community mobilization activities launched. Trainings have already started which would serve as bases for community development plans;
- One expedition to the Aral Sea bed conducted to make mapping of the bed's soil. 1 international and 12 national consultants were involved in the expedition and had travelled 2500 km checking 1500 points. The consultants came up with the number of recommendations to increase success rate of the plantations and which type of plantations can succeed under this environment.
- Livelihood component is being prepared and training part will start soon;
- UNESCO part of the joint project would start very soon as well.

Mr. Sascha Graumann, UNICEF Resident Representative in Uzbekistan, made brief presentation on the progress so far within the UNICEF and UNFPA joint project: "Improvement of Quality in Perinatal Care Service to Most Vulnerable Mothers and Newborns". He reminded that the project had two main objectives:

- to ensure access of population to perinatal service by improving infrastructure and provision of essential equipment for level II perinatal referral facilities;
- to increase the quality of mother and newborn health care services, and to increase the awareness of families to make informed choices about health and nutrition.

He informed the participants that the MPHSTF funds were transferred in September and since then the following progress had been made:

- Baseline assessment of the quality of care provided in 8 perinatal care facilities done;
- In depth assessment of the infrastructure enhancement of selected medical facilities done in cooperation with the Ministry of Health;
- Full list of equipment and consumables to be procured prepared in collaboration with the Ministry of Health focal points;
- Project staff hired;
- Specifications of the equipment and consumables were being prepared and would be presented to the Ministry of Health by the end of December;
- Training materials printed;
- Capacity building of the care providers for newborns and small newborns started.
III. Updates on resource mobilization within the MPHSTF

Mr. Badriddin Abidov, Deputy Minister of Investments and Foreign Trade, welcomed the participants of the meeting on behalf of the Ministry of Investments and Foreign Trade.

He informed the participants on resource mobilization measures taken since the Second Steering Committee meeting. He indicated that possible mechanisms for using the funds of the Green Climate Fund for MPHSTF purposes were discussed during the visit of the delegation of the Republic of Uzbekistan to the Republic of Korea (August 6-9, 2019).

In September, a Memorandum of Understanding was signed between the MIFT and the European Investment Bank to take further steps to attract soft loans in the amount of 100 million euros and grant funds of the European Commission to the amount of up to 25 million euros.

Mr. Abidov informed the participants about participation of the Uzbek Delegation in Climate Action Summit at the 74th Session of the UN General Assembly in September 23-26, 2019. The Delegation held series of high-level meetings, including with Mr. L. de Alba, Special Envoy of the UN Secretary-General for Climate Action Summit, Mr. Y. Takasu, Special Advisor to the UN Secretary General on Human Security.

Within the frame of this visit arrangements were reached with the Project Cure Humanitarian Foundation on attraction USD 400 thousand grants for procurement of medical equipment. Another agreement was reached with the US Department of Agriculture on the use of "McGovern and Dole"’s "Food for Education" programme funds worth about $ 20.5 million to finance projects in the Republic of Karakalpakstan and Surkhandarya region.

He said that it is planned to complete the project documentation for further study of the issue of obtaining a preferential loan from KfW Bank (Germany) in the amount of 30 million euros and 8 mln. euros grant financing from GIZ.

Negotiations were organized with potential donors regarding their contribution to the Trust Fund in the framework of the High-Level International Conference under the auspices of the UN "Aral Sea Region - Zone of Environmental Innovations and Technologies" held in Nukus on October 25, 2019.

Mr. Abidov informed the participants about results of the Uzbek Delegation’s visit to Brussels in November. During the visit, a Financing Agreement was signed with the European Union on contribution to the Trust Fund in the amount of 5.2 million euros. A Contribution Agreement between EU Delegation to Uzbekistan and UNDP MPTF office in New York is expected to be signed soon and transfer of grants to be occurred in January 2020. In addition, during this visit the Finnish Foreign Ministry announced the allocation of 1 million euros to support the activities of the Trust Fund.

Mr. Abidov welcomed the official launch of a new joint UN program “Building the Resilience of Local Communities Against Health, Environmental and Economic Insecurities Caused by Environmental Destruction in the Aral Sea Region” held in December 2, 2019. The USD 3.2 mln. project is financed by the Government of Japan.

IV. Brief speeches by the Donors on contributions to the MPHSTF: Commitments and perspectives

Mr. Abidov made a brief speech on Government of Uzbekistan’s commitment to the MPHSTF and said that relevant documents were being prepared for implementation of the second installment in the amount of USD 1.5 mln. The Ministry of Finance would prepare those documents in line with its internal procedures and submit them to the Cabinet of Ministers for consideration and approval. He hoped the second installment by the Government would be implemented in time.
Mr. François Begeot, Head of the Cooperation Unit of the EU Delegation to Uzbekistan, at the beginning of his speech congratulated the Government of Uzbekistan and Republic of Karakalpakstan with an excellent management of the MPHSTF. He stressed an importance of collective efforts in addressing the Aral crisis. Mr. Begeot emphasized development of high quality project proposals prerequisite of which is provision of enough time for development of project docs.

He reaffirmed EU’s commitment to allocate 5.2 mlm. euros to the MPHSTF and said that work on signing the Contribution Agreement between the EU Delegation to Uzbekistan and UN MPTF office was underway. According to him, actual signing of the CA would happen in January 2020 and the EU did not exclude transfer of the contribution to the MPHSTF account at once if strong justifications are provided.

Mr. Tsuda Atsushi, Deputy Head of Mission, Embassy of Japan to Uzbekistan, informed the participants about recently launched USD 3.15 mlm. UN Joint Programme funded by the Government of Japan. He said that the UN JP would be implemented by UNDP and UNFPA in 9 northern districts of Karakalpakstan during two years. He underlined that the Programme would be implemented in parallel to MPHSTF but under its Programmatic Framework.

Mr. Yoon Jiwan, representative of the Korean Embassy to Uzbekistan, said that Republic of Korea and Government of Uzbekistan joined their efforts in tackling climate change related challenges since Uzbekistan’s joining Global Green Growth Institute in March 2019.

He announced that the Republic of Korea decided to allocate USD 1 mlm. to the MPHSTF and all internal procedures with regard to providing the grant were finalized in early December. Mr. Yoon Jiwan said that the Government of Korea expects further recommendations regarding completion of concluding the Standard Administrative Arrangements.

V. Presentation of the MPHSTF Funding Framework

Ms. Mari Matsumoto, UNDP MPTF office Portfolio Manager via pre-recorded video message presented the Funding Framework of the MPHSTF. The details of the Framework are given in Annex 2 to the minutes.

V.I. Establishment of the Advisory Committee on Sustainable Development of the Aral Sea region

Mr. Jusipbek Kazbekov, First Deputy Chairman of the Council of Ministers of the Republic of Karakalpakstan made brief presentation on establishment of the Advisory Committee on Sustainable Development of the Aral Sea region. Details of the presentation are given in Annex 3 to the minutes.

Following the presentation Ms. Helena Fraser opened discussion session on the establishment of the Advisory Committee.

Mr. Abidov said that the establishment of the Advisory Committee would enable:

- Coordinated and systematic work on development of the proposals in line with the IFI’s requirements;
- Combining various sources of financing the socio-economic and environmental improvement programmes for the Aral Sea region;
- Expansion of the coverage of the unified platform for dialogue among Government, IFIs, donor countries and other partners on various aspects of the region’s development.
Mr. Francois Begeot generally supported the proposal of establishing the Advisory Committee to enhance coordination and coherence of national and international efforts to develop the Aral Sea region. He noted that the Steering Committee should continue to govern the Fund.

Mr. Tsuda Atsushi said that the representative of the Government of Karakalpakstan should be included in composition of the Advisory Committee and asked about the relations of the Advisory Committee with the donors in the Steering Committee, for example with Korea and Japan.

Mr. Kazbekov made it clear that the representative of the Government of Karakalpakstan would be included in the composition.

Ms. Helena Fraser, responding to Mr. Begeot, clarified that the Advisory Committee would not in any way replace the MPHSTF Steering Committee. She said that the establishment of the Advisory Committee would ensure coherence among bilateral and multilateral development partners and national and international efforts in addressing the Aral crisis. The Government, UN and international community want to ensure coherent impact of those efforts.

Mr. Yu Yu, Representative of UNFPA in Uzbekistan, underlined the importance of decentralizing coordination to Karakalpakstan where the most of mitigating activities take place.

Decision: The unanimous decision was made to establish the Advisory Committee on Sustainable Development of the Aral Sea region and instruct the Technical Secretariat to make follow up changes to the MPHSTF ToR and Operation Manual.

VII. DISCUSSION AND DECISIONS ON OTHER ISSUES

VII-1. Discussion of the EIB’s 100 mln. euro worth loan within MPHSTF

Ms. Helena Fraser informed the participants that European Investment Bank (EIB) was going to provide 100 mln. euros loan to improve the irrigation system and restore the saline lands in Karakalpakstan. Ministry of Investments and Foreign Trade of the Republic of Uzbekistan and UN received request from the EIB whether it could potentially use MPHSTF assistance in preparation of the initial phase of the loan implementation. She noted that MPHSTF could not preauthorize earmarking of funds, but within its ToR, it could act as a magnet to attract investments for activities within the Fund’s approved Results Framework. This would mean possibly setting aside some portion of the next funding envelope for possible support to the preparation of the initial phase of the EIB loan implementation, since the foreseen activities fall within the Fund’s focus areas. She opened the discussion session on possibility of assisting EIB.

Mr. Francois Begeot clarified that EIB loan implementation with the assistance of the EU grant resource is the usual practice. He also noted that the Investment Facility for Central Asia (IFCA) grant resources would not be available immediately. Responding to the suggestion to use MPHSTF resources for the initial phase, he indicated that there should not be duplication of previous studies conducted by national ministries and international organizations. He informed the participants that EIB appraisal mission to Uzbekistan was expected in February 2020 and the exact cost of activities with relation to the loan implementation would be defined by then.

Mr. Abidov informed the participants that the grant component of the loan had been negotiated with the EU Commission in parallel with the preparation of MOU with the EIB on provision of 100 mln. euros loan. Initially it was decided that the grant component of the loan would be financed through the EU’s IFCA funds. Currently the Government is working with the Ministry of Water Resources, State Committee on Cadaster and State Forestry Committee
on preparation of the required by the EIB documents. He noted that the exact amount of technical assistance required would be defined following inventory of what had already been done in that regard.

Ms. Helena Fraser suggested, which was supported by Mr. Ganiev, to postpone the decision of providing assistance to EIB through MPHSTF until further detailed elaboration of the issue, with specific attention to better understanding of: (a) existing analysis that could inform the initial phase of the EIB loan implementation, thereby ensuring no duplication of existing studies and research and (b) greater clarity as a result on what is required and how much this might cost.

**Decision:** The decision was made to postpone allocation of MPHSTF funds within Second Call for proposals until further details are provided.

### VII-2. Endorsement of the Steering Committee composition based on the decision, regarding the evolution of the composition, taken at the second Steering Committee meeting

Ms. Helena Fraser informed the participants that the composition of the Steering Committee was amended following the decision made at the Second Steering Committee meeting to balance the national and international partners’ representation in the composition.

Details of the Steering Committee composition following its evolution is given in Annex 4 to the minutes.

The members of the Steering Committee had no objection to the amended composition.

**Decision:** The amended composition of the Steering Committee as per Annex 4 to the minutes was unanimously endorsed.

### VII-3. The date of the second Call for Proposals and confirmation of priority directions for the Call

Ms. Helena Fraser suggested fixing the exact date of the Second Call for Proposals when the approximate dates of the EU, Finnish, Uzbek and Korean governments and contributions would be known. She hoped that the date would be late January 2020 with the expectation that the contributions by the mentioned donors would be made at least in February 2020.

Ms. Helena Fraser suggested to provide two months period for development of project proposal based on lessons learned from the First Call for Proposals. The PUNOs agreed that two months period was sufficient time for qualitative project proposals development.

Mr. Abidov affirmed that the Inter-Agency Working Group on elaboration of and appraisal of project proposals and Council of Ministers of the Republic of Karakalpakistan would strongly support the PUNOs in their development of the project proposals.

Ms. Helena Fraser reminded the participants that Youth and Innovation thematic had been chosen as priority directions for the Second Call for Proposals by the decision of the Second Steering Committee meeting.

Mr. Kabzbekov suggested to include Health component to the above-mentioned priority directions for the Second Call for Proposals.
Decision: Announce tentatively end of January 2020 as the Second Call for Proposals date.

The members of the Steering Committee confirmed the Youth and Innovations thematic and defined Health Security component as the third priority direction for the Second Call for Proposals as well as two months period would be given to PUNOs for development of project proposals. (N.B. This is without prejudice to possible subsequent addition of EIB loan support component to a future call for proposals, as per decision above).

The Steering Committee instructed the Fund’s Technical Secretariat to develop the Second Call for Proposals Guidelines in line with the approved decision.


Mr. Uktam Abdurakhmanov, Head of the MPHSTF Technical Secretariat made presentation of the Secretariat’s Annual Work Plan (AWP) and Budget for 2020 with detailed description of main directions of activities and needs. The details of the AWP and Budget are given in Annex 5 to the minutes. AWP included activities related to newly established Advisory Committee.

Decision: The Technical Secretariat’s AWP and Budget for 2020 was endorsed by the members of the Steering Committee.

VIII. Closing remarks

Mr. Ganiev thanked Ms. Fraser for organizing and facilitating a very constructive meeting. He also thanked members of the Steering Committee for the fruitful work during the meeting.

Ms. Fraser thanked the participants for attending the Steering Committee.

For the Government of the Republic of Uzbekistan

[Signature]
E.Ganiev
Deputy Prime Minister of the Republic of Uzbekistan

For the United Nations

[Signature]
H.Fraser
UN Resident Coordinator in the Republic of Uzbekistan
Annex 1

MPHSTF Steering Committee members at attendance

1  Mr. Elyor Ganiev  Deputy Prime Minister of the Republic of Uzbekistan, Co-chair
2  Ms. Helena Fraser  UN Resident Coordinator in the Republic of Uzbekistan, Co-chair

Members

Government

3  Mr. Badriddin Abidov  Deputy Minister of Investment and Foreign Trade of the Republic of Uzbekistan
4  Mr. Jusipbek Kazbekov  First Deputy Chairman of the Council of Ministers of the Republic of Karakalpakstan
5  Mr. Bakhodir Nizomov  Deputy Minister of Health of the Republic of Uzbekistan

Donors

6  Mr. François Begeot,  Head of Cooperation Section, EU Delegation to Uzbekistan
7  Mr. Suda Atsushi  Deputy Head of Mission, Embassy of Japan in Uzbekistan
8  Mr. Yoon Jiwan  Advisor, Embassy of Republic of Korea in Uzbekistan

Participating UN Organizations

9  Ms. Matilda Dimovska  UNDP Resident Representative in Uzbekistan
10 Mr. Yu Yu  Representative UNFPA in Uzbekistan
11 Mr. Sascha Graumann  UNICEF Representative in Uzbekistan

Civil Society Representatives

12 Ms. Sholpan Asanova  Regional department for the Republic of Karakalpakstan of the Association of Support to Children and Families
13 Ms. Galina Vinogradova  Karakalpakstan branch of the Public Information Center “Istiqloli Avlod”

Ex-Officio members

Mari Matsumoto, Portfolio Manager, UNDP MPTF Office (remotely off-line)
Other Participants:

- Mr. Doniyor Kuchkarov, Project Manager, EU Delegation to Uzbekistan
- Ms. Jana Kurpisa, Junior professional, EU Delegation to Uzbekistan
- Ms. Yoko Yamoto, First Secretary, Embassy of Japan in Uzbekistan
- Ms. Lyudmila Makarova, Secretary-translator of the Embassy of the Republic of Korea in Uzbekistan
- Mr. Zarif Jumaev, Coordination Analyst, UN RCO
- Mr. Hurshid Rustamov, Head of the Sustainable Development Cluster, UNDP in Uzbekistan
- Mr. Bekhzod Teshabaev, Head of Department on Coordination of IFIs, Ministry of Investment and Foreign Trade of the Republic of Uzbekistan
- Mr. Uktam Abdurakhmanov, Head of MPHSTF Technical Secretariat
- Mr. Tulkun Karimov, Fund Establishment and Coordination Specialist, MPHSTF Technical Secretariat
- Mr. Shukhrat Umarkhojaev, Monitoring and Evaluation Specialist, MPHSTF Technical Secretariat
UN MULTI-PARTNER HUMAN SECURITY TRUST FUND FOR THE ARAL SEA REGION IN UZBEKISTAN
FUNDING FRAMEWORK
As of 10 December 2019
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Introductory Notes

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Table 3: Delivery Analysis
Introductory Notes

The Funding Framework is periodically submitted to the UN Multi-Partner Human Security Trust Fund for the Aral Sea Region in Uzbekistan Steering Committee by the Executive Coordinator of the Multi-Partner Trust Fund Office.

Table 1 provides information on deposits received, transfers made to Participating UN Organizations and funds available for the programming. Table 2 presents more detailed information on amounts pledged, contributions received. Table 3 presents more detailed information on amounts transferred to recipient UN Organization.
Table 1: Fund Status  
as of 10 December 2019, values in US$ 

This table highlights: (a) total funds received by the MPTF Office as Administrative Agent; (b) funds transferred to Participating UN Organizations; and (c) the current fund balance, which is segregated into amounts un-earmarked or earmarked by donors.

<table>
<thead>
<tr>
<th>Sources of Funds</th>
<th>Prior Years</th>
<th>2019</th>
<th>Cumulative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions from donors</td>
<td></td>
<td>3,117,765</td>
<td>3,117,765</td>
</tr>
<tr>
<td>Fund Earned Interest and Investment Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Income received from Participating Organizations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refunds by Administrative Agent to Contributors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund balance transferred to another MDTF</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total: Sources of Funds</strong></td>
<td><strong>3,117,765</strong></td>
<td><strong>3,117,765</strong></td>
<td><strong>3,117,765</strong></td>
</tr>
<tr>
<td>Use of Funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers to Participating Organizations</td>
<td></td>
<td>3,083,566</td>
<td>3,083,566</td>
</tr>
<tr>
<td>Refunds received from Participating Organizations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Funded Amount</strong></td>
<td><strong>3,083,566</strong></td>
<td><strong>3,083,566</strong></td>
<td><strong>3,083,566</strong></td>
</tr>
<tr>
<td>Administrative Agent Fees</td>
<td></td>
<td>31,178</td>
<td>31,178</td>
</tr>
<tr>
<td>Direct Costs: (Steering Committee, Secretariat...etc.)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank Charges</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Expenditures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total: Uses of Funds</strong></td>
<td><strong>3,114,744</strong></td>
<td><strong>3,114,744</strong></td>
<td><strong>3,114,744</strong></td>
</tr>
</tbody>
</table>

**Change in Fund cash balance with Administrative Agent**

| Opening Fund balance (1 January)                       |             | 3,022   | 3,022      |
| Closing Fund balance (31 December)                     |             | 3,022   | 3,022      |
| Net Funded Amount (Includes Direct Cost)               |             | 3,083,566 | 3,083,566  |
| Participating Organizations' Expenditure (Includes Direct Cost) |             |         |            |
| **Balance of Funds with Participating Organizations**   |             |         | **3,083,566** |
### Table 2: Donor Commitments and Deposits

as of 10 December 2019, values in US$

<table>
<thead>
<tr>
<th>Contributor/Partner</th>
<th>Commitments ¹</th>
<th></th>
<th>Total Gross Deposit USD</th>
<th></th>
<th></th>
<th>Net Deposit ²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Currency</td>
<td>Amount</td>
<td>USD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GOVERNMENT OF NORWAY</td>
<td>NOK</td>
<td>9,500,000</td>
<td>1,117,765</td>
<td>1,117,765</td>
<td>1,106,588</td>
<td></td>
</tr>
<tr>
<td>GOVERNMENT OF UZBEKISTAN</td>
<td>USD</td>
<td>6,500,000</td>
<td>6,500,000</td>
<td>2,000,000</td>
<td>1,980,000</td>
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</tr>
<tr>
<td>Total</td>
<td></td>
<td>7,617,765</td>
<td>3,117,765</td>
<td>3,086,588</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ Commitments refer to funds where the Standard Administrative Arrangement with the donor has been concluded.

² Net Deposits refer to the funds deposited by the donor to the bank account of UNDP/MPTF Office and adjusted for Administrative Agent fee.
### Table 3: Delivery Analysis
as of 10 December 2019, Values in US$

<table>
<thead>
<tr>
<th>Outcome / Project No. and Project Title</th>
<th>Participating Organization</th>
<th>Project Status</th>
<th>Total Approved Amount</th>
<th>Net Funded Amount</th>
<th>Total Expenditure</th>
<th>Delivery Rate %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outcome 3:</strong> Local community access to affordable and healthy food and clean drinking water secured.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>117259 Aral Sea MPTF-Urgent Human Security</td>
<td>UNDP</td>
<td>On Going</td>
<td>1,312,414</td>
<td>1,312,414</td>
<td></td>
<td></td>
</tr>
<tr>
<td>117259 Aral Sea MPTF-Urgent Human Security</td>
<td>UNESCO</td>
<td>On Going</td>
<td>151,487</td>
<td>151,487</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>3 Food &amp; Water: Total</strong></td>
<td></td>
<td></td>
<td>1,463,900</td>
<td>1,463,900</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td><strong>Outcome 4:</strong> The overall health of the local population improved and healthy lifestyle promoted.</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>117258 Aral Sea MPTF-Perinatal care</td>
<td>UNFPA</td>
<td>On Going</td>
<td>639,322</td>
<td>639,322</td>
<td></td>
<td></td>
</tr>
<tr>
<td>117258 Aral Sea MPTF-Perinatal care</td>
<td>UNICEF</td>
<td>On Going</td>
<td>980,344</td>
<td>980,344</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4 Health: Total</strong></td>
<td></td>
<td></td>
<td>1,619,666</td>
<td>1,619,666</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td></td>
<td></td>
<td>3,083,566</td>
<td>3,083,566</td>
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<td>0</td>
</tr>
</tbody>
</table>
Annex 3

Concept

Advisory Committee on Sustainable Development in the Aral Sea region of Uzbekistan

BACKGROUND

The drying up of the Aral Sea, the fourth largest lake in the world until the 1960s, is among the greatest human-made global environmental disasters whose negative effects go beyond national and regional boundaries. It has affected the livelihoods of millions of people living in the region, with the epicenter in the Republic of Karakalpakstan, in Uzbekistan.

An evolving crisis, the Aral Sea disaster has a number of negative consequences, including land degradation and desertification, shortage of drinking water, malnutrition, deterioration of health conditions and the livelihoods of the local population. The socio-economic and environmental consequences are further complicated by the rapid speed of its negative effects.

Despite significant efforts to address these issues through a combination of national and international efforts spanning almost three decades, the lack of a unified development strategy with an inter-sectoral, integrated approach, the inadequate coordination of aid flows, the duplication of activities, and low degree of government ownership of development assistance have been assessed as factors limiting the effectiveness of interventions and the sustainability of the results.

The global 2030 Agenda, which Uzbekistan has also subscribed to, puts a strong emphasis on "leaving no one behind", and on focusing first on populations lagging furthest in development.

UN Multi-Partner Human Security Trust Fund for the Aral Sea region

The UN Multi-Partner Human Security Trust Fund for the Aral Sea region in Uzbekistan (Fund) was established in response to this challenge, at the initiative of the Republic of Uzbekistan in 2018, as a unified response to address the negative consequences of the catastrophe.

The Fund aims to be transformative, evidence and human-rights based, and inclusive in its goal of catalyzing and strengthening a multi-sectoral and people-centered response to address the consequences of one of the world’s biggest man-made environmental disasters. The Fund provides a coherent strategy to coordinate aid flows and increase government ownership to enable sustainable results.

The Fund’s governance mechanism is built on the principles of inclusiveness, transparency and accountability. The Fund is governed by the Steering Committee, and is co-chaired by the Deputy Prime Minister of Uzbekistan and the UN Resident Coordinator in Uzbekistan, and comprised of the representatives of national ministries, Participating UN Organizations, NGOs and contributing donors. The
Steering Committee is responsible for leadership, strategic direction, and decisions on eligibility, allocation and other managerial and oversight aspects of the Fund’s resources.

Proposal for an Advisory Committee on Sustainable Development in the Aral Sea region

A year has passed since the establishment of the MPHSTF in November 2018. Since its establishment, two donors – the governments of Uzbekistan and Norway – have contributed funding worth US$3 million, while EU is at the stage of finalizing a contribution agreement for the amount of Euro 5.2 million by the end of 2019, and two additional potential donors have been identified. Two Fund Steering Committee meetings have happened since then with the full participation of its members. As a result of the first Call for Proposals two projects have been approved for Funding by the Steering Committee, whose implementation has already started.¹

At the same time, a non-exhaustive survey of donors and the national counterparts conducted at the request of the Steering Committee by the Fund Technical Secretariat in March-April 2019 showed that, at the time of gathering the data, seven donors, including the governments of foreign states, bilateral and multilateral agencies had been implementing or planning to implement 23 projects worth US$1.943 million in the Aral Sea region, of which US$1.929 million (11 projects) were loans and US$14.2 million (12 projects) were grant projects.

This points to the need for ensuring a proper mechanism or platform for effective donor coordination is in place to avoid duplication, fragmentation, and to ensure that opportunities for synergies are utilized to the full potential in the Aral Sea region.

The establishment of the Advisory Committee, comprising all donors and stakeholders implementing or considering loan and grant projects in the Aral Sea region, is intended to address this need.

The primary goal of the Advisory Committee is to serve as an integrated platform for effective donor coordination for the Aral Sea region. The establishment of the Advisory Committee as a unified platform will specifically enable a constructive dialogue between the Government and development partners on different aspects of the Aral Sea region’s development, including the Government’s proposal for the Aral Sea as a zone of innovation and environmental technology.

Moreover, the establishment of the Advisory Committee is also stipulated in the Operational Manual and Terms of Reference of the Fund, as a formal part of the Fund’s Governance Structure²

¹ More detailed information on the MPHSTF operations, documentation, funds, project etc. can be found at http://mpstf.undp.org/factsheet/fund/AR100
² The establishment of the Advisory Committee is thus fully in line with UNDP MPTF Office policy and procedures.
**ROLES and RESPONSIBILITIES OF THE ADVISORY COMMITTEE**

The Advisory Committee will have a mandate and authority to make recommendations to the Fund Steering Committee on different components of the assistance to the region rendered within the framework of the Fund and will also serve as a transparent and accountable mechanism to promote the coherence and effectiveness of international partners’ support to the Aral Sea region in Uzbekistan.

Its purpose will be to ensure alignment between the Fund’s activities and the wider national and international sustainable development investments and assistance to the Aral Sea region, making recommendations on integrating different funding channels and/or policy approaches and results where feasible and beneficial. The Committee will provide a vehicle for the Government and partners to translate the financial commitments made by the international community into tangible and sustainable development results.

The Advisory Committee will support efforts directed at coordination of measures taken by the international donor community and national counterparts by initiating and contributing to development of the database of development actors active in the Aral Sea region of Uzbekistan, and also enhance public accountability by tracking and disseminating information on the execution of these activities and their results.

**Key expected results:**

- A unified platform for dialogue, information sharing, discussing, developing and implementing joint initiatives to mitigate the consequences of the Aral Sea disaster;

- A well-coordinated system for financing the implementation of the Unified Strategy for the restoration of the environmental situation and socio-economic development of the Aral Sea region developed;

- Enhanced mobilization and coherence of financial and technical assistance resources for agreed, sustainable results;

- A more integrated and unified strategic approach to the environmental
restoration and socio-economic development of the Aral Sea region, in line with the principle of Leaving No-one Behind and the Agenda 2030. This would also represent a shift away from individual projects;

- A platform to discuss and support the implementation of the Concept: “Aral Sea region – zone of ecological innovations and technologies” and to accelerate results under this initiative.

The Advisory Committee will:

- Serve as a partnership platform for political dialogue, coordination, communication and advocacy among the stakeholders in the Aral Sea region;

- Provide recommendations to the Fund Steering Committee on strategic issues for funding priorities;

- Maintain close collaboration with all other stakeholders to ensure flexible adaptation of the operational, programmatic and financial aspects of the development actors’ activities as well as development and agreement of changes in priorities and strategies;

- Ensure that lessons learned are distilled and fed into the relevant policy discussions;

- Ensure proper communication and coordination on the Fund at national and international levels and support a participatory implementation of the Fund activities in alignment with national priorities and Fund’s Programmatic Framework;

- Ensure development of national and international development actors database active in the Aral Sea region of Uzbekistan;

- Intensification and raising the regional and international dialogue on addressing the Aral Sea issues to a qualitatively new level, promoting the interest and attention of development partners to the Aral Sea problem;

- Ensure support for the implementation of the Concept: “Aral Sea region – zone of ecological innovations and technologies” and accelerate results under this initiative.

COMPOSITION AND GOVERNANCE

The Advisory Committee will be co-chaired by the Deputy Prime Minister of Uzbekistan and UN Resident Coordinator in Uzbekistan. It will be comprised of:

- Council of Ministers of the Republic of Karakalpakstan, government ministries and agencies;

- NGOs, CSOs and private sector representatives;

- Donor countries, bilateral and multilateral organizations;

- IFIs; and

- UN organizations;
OTHER OPERATIONAL ASPECTS OF THE ADVISORY COMMITTEE

Frequency of the meetings
The Advisory Committee will meet at least once a year in person or through other means, or more frequently as required, and agrees upon the decisions by consensus.

Roles and responsibilities of the Fund Technical Secretariat
The Advisory Committee will be supported by the Fund Technical Secretariat. The Fund Technical Secretariat will provide operational and administrative support to the Committee and will be responsible for:

- Planning and preparation of the meetings;
- Development of the agenda of the meetings in consultation with the Advisory Committee members;
- Preparing, sharing and maintenance of the records of the decisions through the minutes;
- Submission and follow up on the recommendations to the Fund Steering Committee;
- Presentation of the recommendations to the Fund Steering Committee members;
- Assisting in development of national and international development programmes and projects database in the Aral Sea region of Uzbekistan;
- Other tasks assigned by the Advisory Committee within the scope of its responsibilities.
Composition of the Steering Committee
(following evolution of the Steering Committee)

Government representation:
- Ministry of Investment and Foreign Trade (permanent member);
- Council of Ministers of the Republic of Karakalpakstan (permanent member);
- Ministry of Healthcare of the Republic of Uzbekistan (rotated annually);

Participating UN organizations' representation:
- UNDP (last to rotate out);
- UNICEF (rotates out second);
- UNFPA (rotates out first);
- UNODC, UNESCO, FAO will be rotating in replacing the above-mentioned PUNOs whereas UNODC will be first to rotate in and FAO last to rotate in.

Donors' representation:
- EU Delegation in Uzbekistan (last to rotate out);
- Japan (rotates out first);
- Korea (rotates out second).

NGOs representation:
- Will be left unchanged but is subject to annual rotation when number of NGOs interested in joining the MPHSTF increases.