

**UNITED NATIONS DEVELOPMENT PROGRAM  
UZBEKISTAN**

**CENTER FOR ECONOMIC AND SOCIAL STUDIES  
UZB/97/008**

**PROJECT EVALUATION REPORT**

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## EXECUTIVE SUMMARY

CER has been established jointly by UNDP and the Government of Uzbekistan to serve as a major economic think tank with the mandate to provide economic analyses, assessments, forecasts, and policy advice, to facilitate dialog and build broad consensus over economic reform and development in Uzbekistan.

Since its inception up to date the Center's main role has been to supply the Government of Uzbekistan with *professionally prepared policy drafts, analyses and assessments*. CER has been successful in serving this role, as evidenced by unanimously positive comments on its performance from government officials representing key centers of economic policy-making in the country. CER's analytical agenda transcends beyond the Center's initial macroeconomic focus, and includes a broad variety of developmental problems, such as institutional reform, poverty reduction, economic restructuring, social policies, civil society development, globalization and security. A strong evidence of the Center's ability to implement its mandate is a large number of produced policy analyses, and the demonstrated capacity to meet, to client's satisfaction, the growing demand in such analyses. Many of CER's studies were supported/commissioned by international donors, which is an indication of the Center's reputation and recognized professional credentials.

CER has assumed a broad role of a multi-purpose policy institution and a civil-society based organization that *builds indigenous capacity for policy analysis and policy-making*. This was accomplished, first, by working with government and increasing its knowledge, experience, awareness and appreciation of market institutions, and through accumulating, both in-house and throughout the expert community, the human capital necessary for modern economic policy analysis.

*CER is the first policy institutions in Uzbekistan organized as a modern think tank*, and serves as a model for the nation's nascent think tank sector. Although the legal status, funding, and mode of operation of CER do not fully conform to conventional think tank standards, this is undoubtedly a successful adaptation of the think tank idea to the realities of Uzbekistan. CER's success is viewed by many in Uzbekistan as a model for reform of the country's research institutions, many of which still operate under outdated modes of governance and funding. CER has been sharing its institutional and professional experience with other policy institutions in Uzbekistan, thus *contributing to the development of the think tank sector in the country*. Until now CER's leadership in the national market for policy studies remained unchallenged, but in the future CER is likely to face stronger competition from other policy institutions. This will be a healthy development strengthening incentives for quality of policy analyses throughout the sector of Uzbekistani think tanks.

*CER serves as a bridge between the Government of Uzbekistan and the international donor community*, most notably UNDP. Credibility of the Center with both the government and UNPD facilitates policy dialog between the two sides. CER has been

instrumental in advancing two key United Nation's objectives in Uzbekistan – building local capacity and accumulating human capital necessary for economic development, reform, and good governance, and promoting interaction between the government and civil society.

CER has pioneered an operational model whereby its policy studies are conducted, as a rule, by *teams of experts drawn from other analytical and educational institutions, government agencies, private sector, and freelance analysts*. This model is critical for the Center's ability to produce policy studies on a broad range of issues and often on a short notice; it also benefits the community of Uzbek policy experts, but perhaps at the cost of slower accumulation of CER's own in-house analytical expertise.

CER has established and successfully maintains *efficient and transparent governance and accounting procedures* that satisfy requirements of international donors, including UNDP.

The Center draws most of its funding from the Government of Uzbekistan and UNDP. It was able to partly *diversify its funding sources* by assembling a portfolio of projects funded by various international donors, but the share of the latter in the Center's budget still falls short of what is required for sustainability past UNDP support and without excessive reliance on government's funding. CER's attempt to build a consortium of donors was less than fully successful. Approaching donors separately with project proposals which address donors' specific strategic priorities in Uzbekistan seems to be a more promising fundraising strategy.

The Center has deployed a *panoply of dissemination and outreach tools*, which include a monthly economic journal with broad readership in Uzbekistan and abroad, annual Human Development Report, and a popular and professionally run Internet site. At the same time many policy studies produced by the Center are exclusively for government use, as they are based on restricted access data, and only brief abstracts if such studies are publicly released. CER will have to find ways to better inform the public of its work while being in compliance with national laws and regulations concerning access to restricted information.

CER has successfully offered a number of *educational and training programs*. This is a promising direction of the Center's work, which could also broaden its revenue base. However, CER will have to better identify its 'niches' in the market for education and training, targeting such audiences as civil servants, journalists, economic experts etc., providing post-graduate training and teaching applied economic courses to university students.

There is a vast, and largely untapped into, potential for *CER's cooperation with policy institutions and experts from neighboring states, other transition and developing countries, and the West*. In the latter case the most promising way to implement collaborative policy studies (and by doing so further expand professional skills and background of CER's staff) is to conduct joint policy analysis projects with carefully

chosen Western partners who can contribute top-level expertise in modern economic techniques and/or broad knowledge of economic development and reform.

CER's prominence and strong reputation with government and donors, broad experience of successful policy studies, impressive track record and efficient governance all bode well for the Center's *sustainability*. The executive branch of the national government is likely to remain in the near future the center's main client and beneficiary, especially when economic reform in Uzbekistan picks up, but one can foresee intensified engagement of the Center with legislators, regional administrations, civil society, various international donors and private sector. This growing market for CER's products will also be an important sustainability factor.

*Support of UNDP has been a key ingredient of CER's successful performance.* Apart from providing funding, UNDP facilitated CER's interaction with other major international organizations, government donor agencies, and private foundations. UNDP helps integrate CER's work in the overall context of international efforts to advance economic reform and development in Uzbekistan. UNDP's engagement with the Center ought to continue, but perhaps in a modified form, reflecting CER's increased professional and institutional maturity and its capacity to be a partner of UNDP in strategic planning and implementation of various development projects in Uzbekistan.

In the consultant's opinion, *the project under review has had overall a high degree of success*, and has made a strong positive impact on policy-making process in Uzbekistan and on furthering UNDP's objectives in the country. Apart from the stream of policy studies and other 'flow' outputs, the project has enhanced Uzbekistan's indigenous capacity for policy analysis and policy-making, which are valuable contributions to the nation's human and social capital.

Further UNDP's engagement with the Center is highly desirable and fully warranted. The report provides recommendations on possible modes and format of such engagement.

## **1. Introduction**

Center for Economic Research (CER) has been established jointly by UNDP and the Government of Uzbekistan in 1999 to serve as a major economic think tank with the mandate to provide economic analyses, assessments, forecasts, and policy advice. The Center has its roots in an earlier 1994 UNDP program, implemented at the request of the Government of Uzbekistan, to assist the country in macroeconomic policy analysis and training. That initiative was highly successful and evolved into a UNDP follow-up project UZB/97/008 “Center for Economic and Social Studies”, which provided an umbrella for CER. The project was initially scheduled to end in 2000, but was extended at the Government’s request for another three years.

The present evaluation of the aforesaid project UZB/97/008 “Center for Economic and Social Studies” is focused on the Center of Economic Research as the project’s main facility, medium, and in itself a major project outcome.

The evaluation report is based on various project materials and numerous interviews and discussions held by the consultant with international and local experts, CER staff members, government officials, and representatives of donor organizations.

This is the third evaluation of the UZB/87/008 project and its programmatic predecessor. The first two were conducted in 1999 and 2001, and were followed by a strategy formulation mission commissioned by UNDP in 2002. The present report, prepared at the time the evaluated project ends, pursues two interrelated objectives. The first one is backward-looking and calls for an assessment of CER’s performance up to date, and thereby of the UZB/97/008 project that supported the Center. The second objective is forward-looking; it calls for producing recommendations towards CER’s development strategy that would be based on the observed performance outcomes and expected changes in the Center’s operational environment. The ultimate goal that such strategy should further is CER’s long-term sustainability as a civil society-based think tank which is strengthened institutionally and professionally and has a strong and visible influence on the policy process in Uzbekistan. The recommendations based on the present assessment also shed light on possible modes of UNDP’s future engagement with CER past the term of UZB/97/008.

## **2. Implementation realities**

The environment for CER’s policy work is in many respects unusual for think tank operations. This calls for non-conventional approaches, modes of operations, and development strategies.

First, the *demand* for policy analyses in Uzbekistan was and remains pent-up, due to the breadth of the nation’s policy-making agenda, the need to address simultaneously multiple economic development and economic transition issues, and the necessity to accelerate the construction of basic institutions and infrastructure of modern market

economy in Uzbekistan. The recent policy measures, such as the introduction of current account convertibility of the national currency, changes in the foreign trade regime, etc., as well as intensified dialog with international development agencies, have enlivened debates over the reform process in the country, and further expanded demand for professionally conducted applied economic analyses. The current policy-making agenda includes economic modernization and development, poverty reduction, education, health and civil service reform, regional development, etc. There are reasons to expect that the upward trend in demand for policy studies will be sustained in the near-to-mid term.

Second, on the *supply* side, the indigenous capacity for applied economic analysis in Uzbekistan remains limited. The country has inherited from the Soviet Union a comparatively strong research and educational infrastructure, where Tashkent was a recognized hub with an impressive cadre of academics and analysts. However, for well-known reasons the capacity to conduct modern economic research, and even the knowledge of the institutions of market economy, were extremely limited at the time Uzbekistan gained independence. Over the last decade these bottlenecks have been somewhat eased by various training and exchange programs (in which CER often played a prominent role), but the emerging community of economic policy experts with modern skills and professional background still remains relatively small and largely concentrated within CER and its expert network. This places a heavy burden on CER, and while the Center is striving to meet the incoming requests for policy studies as fully as possible, this comes at the cost of at times overstretching its resources.

Third, the *policy process in Uzbekistan is largely confined within the executive branch of the government*, and the ability to effectively influence this process requires a much closer engagement with policy-makers than what is customary for think tanks working in the developed countries.

Fourth, government officials and civil servants in Uzbekistan still often *lack adequate experience with and understanding of market economy* and the role of state in the modern world, which places on CER the onus of educating the Center's counterparts in the government, and otherwise enhancing the capacity for modern policy-making and public sector governance.

Fifth, to make up for a lack of conventional avenues for public discourse and grassroots participation in policy-making process in Uzbekistan, CER has assumed the role of *consensus-builder* in the country through outreach, training, dissemination, increased awareness and better understanding of policy reform agenda.

Sixth, CER has limited opportunities to draw from conventional sources of funding for think tanks, such as private philanthropy, endowments, etc. This increases reliance of CER on government contracts and support of international donors, and could also require engagement in educational and quasi-commercial activities that allow the Center to cross-subsidize its policy work of public interest.

### **3. Evaluation focus**

CER evaluation presented in this report assesses the following aspects of the project:

- Thematic scope, quality, and timeliness of CER's policy products
- Professional capacity of CER to conduct economic policy analyses
- Impact of CER on policy-making in Uzbekistan
- Outreach and communication
- Operational model
- Fundraising capacity
- Relations with the government
- Relations with UNDP

#### **4. CER's policy products**

The Center had been initially established as a macroeconomic analysis institution, and although its thematic focus has subsequently broadened, macroeconomic problems are still prominent on CER's analytical agenda.

CER has produced since its inception close to 100 papers on a variety of economic policy issues. The number of papers per year grew rapidly in 1996-1998, peaked at 28 papers released in 1998, and then gradually declined to circa 10 papers annually. This is not an indication of a slowdown of CER's work, but rather an evidence of growing attention to project selection portfolio, and of more thorough analytical work.

At present the Center's policy research agenda is organized around the following thematic clusters:

- Economic growth (rates, patterns, structural aspects)
- Fiscal policy (taxation and budget expenditures)
- Monetary policy and financial sector development
- International trade and integration in the global economy
- Socio-economic problems (labor market, poverty, inequality and their relations with economic development)

All of the above issues are undoubtedly of high importance for Uzbekistan's economy, and their analysis requires specialized skills and expertise that is available at CER and in the expert community from which the Center draws.

Recently the Center has implemented projects on economic liberalization, competition policies in Uzbekistan, legal and regulatory environment for private sector firms, and development of small and medium-size enterprises. These are evidences of CER's growing attention to the institutional reform in Uzbekistan, market development and creation of enabling conditions for private enterprise and investments.



CER is producing a steady stream of policy papers on a broad range of economic reform and development issues. This naturally poses a quantity vs. quality trade-off, especially with numerous calls on CER to produce policy assessments for different government agencies. The mode of operation chosen by CER (see below) which provides for forming policy analysis teams staffed with experts who aren't full-time staff members of the Center allows alleviate the capacity constraint. CER has in place a project selection mechanism which involves both internal consultations and approval of the Steering Committee, and balances the incoming requests for policy studies and other leads with the available resources and CER's priorities and objectives. An increasing part of the Center's project portfolio is filled 'upstream', i.e. at CER's own initiative (see Section 6 of the report).

The Center is cognizant of the need to control quality of its analytical products, and has put in place a three-step review process whereby policy papers and reports are undergoing sequential reviewing at the initial, intermediary, and final stages of their preparation. It is essential that the review process includes validation of topic of proposed study and control as to whether the study makes appropriate use of what is known in the field, of the international experience, and whether it appropriately reflects the nation's social and economic realities. Unfortunately, the community of policy experts in Uzbekistan is still rather small, so that CER's reviews are conducted primarily in-house. Another obstacle to external reviewing is confidentiality and/or access to restricted information. It would still be highly desirable to increase the exposure of policy analysis work performed in the Center to external reviewing, and to bring it closer to the peer reviewing standards that are common in the West.

In the opinion of CER's staff members and the Center's counterparts in the government interviewed by the consultant, the work of the Center is timely, topical, professionally prepared, and provides a very useful analytical input into the country's policy process. These are evidences of high degree of client's satisfaction with CER performance.

In addition to its policy papers, CER produces annual Human Development Reports which summarizes professional views and opinions on Uzbekistan's key social and economic development problem. The evolving agenda of Human Development Reports shows growing awareness of the role of institutions in reducing poverty, accelerating economic growth and in effective provision of social services necessary for human development. Thus, the 2000 Report puts an emphasis on small business development and government and civil service reform. The fact that this important analytical work is commissioned by UNDP to CER is another indication of the quality of CER's policy products.

## **5. CER professional capacity**

The Center is staffed with a small core team of managers, analysts, and project coordinators, and draws from a large cadre of local experts that are recruited to work on

individual projects. This gives CER the ability to undertake projects on a broad range of issues, including those where in-house expertise could be insufficient.

Since mid-1990s until present CER experts have accumulated in the course of their work on policy analysis projects considerable experience and know-how. They have good grasp and understanding of main transition issues, and excellent first-hand knowledge of the realities of their country. It is noteworthy that CER's policy products normally make references to the experience of other nations in the transition region, developing and developed world. CER staff members are aware of international experience and practices and use them as policy arguments and comparison baselines.

CER experts are quick learners who are receptive to new ideas, tools and methodologies of applied policy analysis, and eager to deploy such tools to advance policy reform in Uzbekistan. However, more massive and systematic efforts of this sort are required to bring CER on the cutting edge of modern economic studies. Intensifying contacts of CER experts with their colleagues in other transition countries and in the West seems to be a particularly promising mode of further build-up of the Center's human capital. Such counterparts have to be carefully selected in consultations with CER to make sure that they indeed make useful contributions to CER's professional capacity and could produce significant value added in collaborative policy projects.

CER encourages professional development of its staff members, including participation in collaborative projects, training programs, conferences, etc. The Center is also experimenting with recruiting its new faculty ('research associates') from graduates of international programs, such as the one that supports education abroad from a special fund set by the President of Uzbekistan.

CER also needs further assistance in acquiring modern skills of think tank management, strategic planning, and fundraising. The Center's performance in these areas up to date was quite satisfactory, but the new challenges, and in particular anticipated increase of competition in the emerging market for policy analyses in Uzbekistan, and eventual exit from the project of its main donors, requires bringing up management, fundraising and planning to the new level. Although much of these new problems are specific to the current situation in Uzbekistan and require innovative solution, the experience of think tank operating elsewhere in the developed and developing world would be instructive for CER. Management of CER is aware of the need to further develop the Center's fundraising techniques, and receptive to professional advice in this area.

## **6. Impact on policy-making**

Good working relations with government officials, intensive communications, trust and solid rapport with key centers of economic policy-making in Uzbekistan are among the key assets of CER. Symptomatically, chief economic advisor to the President of Uzbekistan holds a seat on the Center's Steering Committee.

Circulation list of the CER policy papers includes the Office of President, the Analytical and Economic Departments of the Cabinet of Ministers, heads of the Ministries of Finance, Foreign Economic Relations, Macroeconomics and Statistics, Chairman of the Central Bank, State Tax and Customs Committees, Department for External Economic Relations and Foreign Investments, and Coordination Committee on Development of Small Enterprises. According to the interviews held by the consultant, CER's policy products are broadly read at various government agencies, and wield strong influence on policy decisions. CER has managed to change the earlier widespread skepticism in the government to analytical assessments produced by policy institutions – presently such assessments are widely sought, and new analytical centers are being established, often copycatting CER.

The rate of affecting government decisions by CER's policy work (the percentage of policy products that have an identifiable impact on official policies, laws, and regulations) was estimated by various interviewees as between 70 and 90%. The most significant examples of the CER's impact on policy-making include the Creation of the State Demonopolization and Competition Promotion Committee, various changes in tax rules, simplification of registration procedures for SMEs, facilitation of access of small firms to credit, and changes in the national statistical service.

It is noteworthy that CER often assumes a pro-active role in its dealing with policy-makers – it does not confine itself to providing policy advice on government's requests, but works to influence the policy-making agenda and highlight issues where progress with policy reform is slow, and yet which are important for economic development of Uzbekistan. This 'upstream' approach to project portfolio formation allows CER to maintain a pro-active role in shaping the national policy agenda by taking on topics viewed heretofore as 'taboos', presenting arguments for addressing such topics and suggesting policy options and evaluations of various courses of action. CER intends to continue 'pushing the envelope' by pursuing projects on regional economic integration, institutional and ultimately political reform in the country.

CER's impact on policy process thus goes beyond simply meeting the incoming requests from the government for policy assessments. The Center actively uses its status as a stand-alone think tank to expand the boundaries of policy-making in Uzbekistan. The importance of such efforts is hard to overestimate.

Furthermore, CER also works (in large part with support from the World Bank) to improve the understanding by government officials of the institutions of market economy and main economic policy issues. To that end, the Center has implemented a massive training program which was attended by hundreds of government officials and civil servants. CER thus doesn't confine itself to providing policy advice to the government, but works to improve the situation on the receiving end of its policy products by making the government and state apparatus more receptive to modern economic ideas.

Finally, CER practices involvement of government officials in the *process* of preparation of policy studies. This non-conventional practice seems to be suitable to the realities of

Uzbekistan: first, participating officials are engaged in a learning-by-doing process, which improves their understanding and grasp of the matters that are being elaborated; second, in the course of joint work they supply information and advise CER experts on policy-making realities and implementation details that otherwise would be hard to come by with; third, they develop personal stakes in the matters that are subjects of joint analytical work, and in policy recommendations that such analyses ensue – this improves acceptance and implementation prospects of CER’s analytical products. Most importantly, a dialog with government officials when policy products are being prepared creates additional informal opportunities to influence national policy-making.

## **7. Outreach and Communication**

CER’s main mandate was and remains to supply the government with policy assessments and blueprints. However, another important objective of CER is to increase public awareness of economic reform and development issues, and facilitate social dialog and consensus over economic policy. This second objective is of particular importance, given the economic and political realities in Uzbekistan, and a lack of first-hand experience and often understanding of institutions of market economy in vast segments of the society. Being cognizant of these needs, CER has made public outreach its high level priority.

CER deploys several means to communicate its products to the targeted audiences. In addition to forwarding its policy papers to government officials, the Center uses printed and electronic media to disseminate its views and familiarize the public with current policy reform problems.

Thus, the Center CER publishes *Uzbekistan Economic Review* – a policy journal whose audience includes policy-makers, economic experts, and the general public. This blend is difficult to maintain, and ideally there should be a set of publications for different categories of readers, but given a lack of modern economic periodicals in Uzbekistan and limited resources of CER, the strategy of producing a single broad audience publication looks appropriate.

The thematic focus of the journal covers macroeconomic problems of Uzbekistan, fiscal issues, prospects for economic growth, international trade, market development, sectoral problems, etc. The journal is widely read; it maintains high popularity in the country and is broadly considered an authoritative source of information on economic development and reform. Thematic issues of the journal provide in-depth coverage of particular policy issues.

*Uzbekistan Economic Review* circulation and subscription proceeds do not cover the production costs, and the balance is paid from the Center’s general revenues. This is a common occurrence for this kind of publications, especially given the Center’s mandate to broadly circulate and disseminate its studies. The objective of full cost-recovery of the journal in the near future would thus be unrealistic. However, the journal should be

vigorously marketed to commercial firms seeking to reach out with their advertisements to the political and business elites of Uzbekistan who are parts of the journal's readership.

Another important periodic publication of CER is its *Digest of Foreign Press*, which plays an important role in informing the society and policy-makers on global economic trends. The Digest increases awareness of the international marketplace of which Uzbekistan is becoming an integral part, and at the same time shares valuable information on economic policies around the world, providing the national policy community and society at large with policy ideas and benchmarks to gauge the reform process at home.

Center's work is summarized in annual National Human Development Reports with the objective to increase awareness in the government and society of main policy challenges and dilemmas in Uzbekistan and increase transparency and public participation in policy process.

CER uses Internet resources to disseminate its products and assessments as well. The Center's bilingual web site is informative, user-friendly and provides ample information about the CER and its work. The *Uzbekistan Economic Review* has a web site of its own, which complements the printed version of the magazine. Finally, the Center contributes to a regional Internet resource, The Central Asian Gateway, established in cooperation with UNDP and the World Bank.

CER teams working on various projects arrange periodic briefings to present their work in progress to policy-makers and experts. More formal roundtables for government officials, media, private sector and civil society groups are held to present final analytical products. It is now a requirement of the Center that its reports contain a policy summary with recommendations, assessments, proposed measures and other implications for policy-making process. Such summaries are publicly released, but circulation of full versions of policy studies produced by CER is often limited due to confidentiality constraints brought about by access to classified information (see also Section 10 below). The Center pushes the government to allow greater openness of policy products, and, as another option, contemplates inclusion of journalists in project teams.

Circulation of CER's policy studies across the international professional community has been insufficient so far. This should be remedied by submission of papers produced by CER faculty for publication in international journals.

The Center's public events program (conferences and seminars open to the public) is somewhat less visible than its other outreach and dissemination modes.

CER's outreach efforts include attempts to venture into economic education at the university level. While links to post-secondary institutions are natural, given CER's mandate and role, the Center has to clearly visualize its competitive advantages in advancing modern economic curriculum in Uzbekistan, find niches that it intends to fill, coordinate its efforts with other economic curriculum reform programs, and establish partnership relations with the national and foreign universities. CER has good

opportunities for offering internship for post-graduate students (and perhaps even opening its own *aspirantura* in applied economic analysis), as well as for producing and teaching applied courses in such fields as economics of regulation, law and economics, public sector economics, development and reform, etc. Natural audiences for CER's educational and training programs beyond universities are government officials, civil servants and public sector employees, journalists and economic experts in Uzbekistan and throughout the Central Asian region.

## **8. Operational model**

There are several institutional forms to conduct applied economic studies, including:

- Government analytical agencies
- Private consultancies and service providers
- Independent non-government non-profit think tanks

CER combines elements of all three such forms, and in particular is taking a middle ground between an independent think tank and an in-house policy unit of the government. Officially, it is a “budgetary” organization and thus belongs to the public sector. However, at the same time it meets the requirement to be managed in compliance with UNDP's official policies and procedures.

This hybrid institutional arrangement is endorsed both by the government and UNDP, and perhaps is suitable for the current policy analysis and policy-making situation in the country. On the one hand, detachment from the government provides CER with flexibility and independence in choosing policy issues for analysis and compiling project portfolio. Indeed, otherwise the Center would not be able to perform its leadership role in shaping the agenda of the policy process in Uzbekistan. Another important plus of not placing CER inside the government is the administrative autonomy and ability to pay salaries beyond restrictive constraints of civil servants' compensation. Finally, non-governmental status adds to CER's credibility with international donors and civil society organizations.

On the other hand, full separation of CER from the government would be impractical and at this point possibly counterproductive. Policy-making process in Uzbekistan remains relatively closed for outsiders, and to be able to effectively influence this process, CER has to maintain its direct links to government officials. Such links also allow to gain access to information that otherwise would have been off limits for CER. Finally, government funding, logistical and material support are all essential for CER's operations and sustainability for the foreseeable future (see also Section 7 below).

Balancing a position between a government agency and a fully independent think tank is a difficult task, which CER, to its credit, was able to solve satisfactorily, without upsetting any of its major counterparts, interlocutors, and stakeholders. The 2002 Report of CER's Strategy Formulation Mission points out that the hybrid status of CER at times

caused confusion both in the government and among international donors, and thus was somewhat detrimental for CER's credibility with its key stakeholders. The opinions solicited by the consultant allows to conclude that such concerns are perhaps exaggerated: both the government officials and donor representatives that were interviewed on the reported evaluation mission were aware of CER's mixed institutional status, but neither side viewed this as a major problem, and both were by and large content with the achieved *modus operandi*.

CER charges fees for some of its services, albeit to a very limited extent. While this is a departure from the pure case of a think tank model, such practice is appropriate, given the need to raise revenues for CER's operations when traditional sources of funding of think tank work are tentative and/or rudimentary. Importantly, CER puts its work of public interest which is funded by international donors, in the public domain and makes it available free of charge (except for circulation restrictions imposed by access to classified information). Therefore the commercial "wing" of the Center doesn't compromise nor taxes CER's ability to perform its public duties.

Governance structure of CER meets modern standards of thin tank operations – the Center has its Steering Committee (*Koordinatsionnyi Sovet*), where main stakeholders, including the Government of Uzbekistan, are represented, and a management unit that reports to the Committee. Initially the Committee was dominated by government officials, but over time it became more inclusive through membership of private sector, civil society, and donor community representatives. The Committee is chaired by an economic advisor to the President of Uzbekistan.

CER is the first institution in the country to implement modern think tank accounting and management techniques. CER's management conforms to UNDP National Execution policies and procedures. UNDP and other donors have supplied the necessary internal management know-how (an Urban Institute's consultant worked with CER staff on these matters) and provided training opportunities.

The Center is concerned about its long-term prospects and sustainability. To address such concerns, an Organizational Development Strategy was produced. The strategy, however, needs to be completed with implementation and operational details, some of which are indicated in this report.

The Center has been employing since its inception a somewhat non-conventional think tank model. CER's policy studies are conducted, as a rule, by teams of experts drawn from other analytical and educational institutions, government agencies, private sector, and freelance analysts. CER's own staff of policy experts is limited, and the latter serve primarily as *coordinators* of experts teams assembled for particular projects.

This model is CER's invention and know-how, an outcome of a trial-and-error process at the outset of the Center's operations. It has been successfully tested and thereafter permanently adopted as the standard mode of operation. The success of the model is due to several factors. First, it affords greater *flexibility* and ability to meet on a short notice

government requests for policy studies that have to be entered in real-time regime in the policy-making process. Were CER to rely only on its own cadre of experts, it would have not been able to produce a steady stream of dozens and dozens of policy papers on issues ranging from macroeconomic problems to social development, poverty reduction, information technologies, migration etc.

Second, while CER and its products benefited from drawing from various pockets of economic and social expertise available in Uzbekistan, the country's analytical community in its turn has been strengthened through participation in a massive multi-year policy analysis project operated and coordinated by the Center. Other organizations where many members of the CER's virtual policy expert community work, often lacked the opportunities, reputation and know-how available at CER to raise funds for policy studies, solicit government requests, organize project teams and communicate policy products to the quarters of power. The Center has thus *facilitated access of national policy experts to the resources required for analytical work*, including funding, information, and institutional capital. This allowed sustain, accumulate and expand (by way of learning-by-doing and through training programs) the indigenous human capital necessary for applied policy studies. Much of this human capital is based outside CER, and therefore the Center through its signature model of operation helped build up a valuable national resource for economic development, reform and good governance in Uzbekistan.

Third, project teams put together by CER include professional policy analysts, scholars, government officials and private sector experts – this facilitates valuable *interaction* between various communities of actors and/or stakeholders in the policy process. The Center currently intends to include in such teams lawyers and journalists, to internalize, at least in part, the drafting component of policy-making process, and increase awareness in the society of the Center's policy work, thus advancing another key objective of the Center – reaching a social consensus over major policy issues and development strategies.

CER's operational model has also raised certain concerns expressed at some interviews held by the consultant. One of them is that the Center ostensibly siphons off intellectual resources from other organizations (at times offering compensation that is multi-fold of regular earnings of invited experts), thus weakening the latter and reducing their own opportunities to participate in applied policy studies. These concerns, however, appear to be exaggerated and perhaps misplaced. Indeed, CER is not known for practicing anti-competitive behavior in the emerging market for applied policy analysis in Uzbekistan. If anything, the Center strengthened other organizations by sharing with their members its professional and institutional experience, putting them in touch with donors and clients in the government, allowing to build reputation and accumulate track record of policy work, and offering fair remuneration unavailable elsewhere. In the interviews held by the consultant at other policy institutions and consulting firms the prevailing opinion was that involvement of the personnel of these organizations in CER's projects was a development resource for other teams, not a drain on their human capital.



A related, but separate and perhaps more important issue is whether a market for policy analysis which is dominated by a single highly successful think tank remains sufficiently competitive to allow entry and development of other institutions. Whether this is true or not, 'anti-trust' policies that could be warranted should not restrict the development of the leading institutions, but rather encourage dissemination of professional and institutional experience, and creation of level playfield in access to donor moneys, government contracts and other resources necessary for think tank operations. Recent efforts to set up other policy institutions (that are linked to particular government agencies and are public sector organizations with a degree of administrative and financial autonomy and opportunities to raise revenue through contracts and grants), and the newly established Center for Science and Technologies which is supposed to distribute government contracts on policy research on a competitive basis are all steps in the right direction, but it is too early to judge how far-reaching they are.

Another, perhaps more valid, concern that is raised by the CER's model of operation is that the Center's 'top guns' are increasingly involved in assembling, coordination and management of project teams, which allows less time for their own policy work proper. Leading specialists of CER which serve as project team coordinators are widely respected in the professional community of Uzbekistan policy experts as highly qualified and experienced policy experts, but it might be difficult for them to sustain their competitive edge if they do not have sufficient opportunities for their own analytical work. This poses a major tradeoff that CER has to resolve as it makes its development plans – how much of analytical work in the future will be carried out by its own in-house professional resources, and how much will still be handled by policy teams assembled in the 'open market'. One could argue that intensified competition in the market for policy studies in Uzbekistan will perhaps reduce the appeal of the previously dominant model of operation and will require increased reliance on the Center's own resources that will have to be further enhanced and honed through greater involvement of CER's personnel in analytical work.

## **9. Fundraising Capacity**

CER managed to assemble solid funding for its operations, which is coming from two major sources – the Government of Uzbekistan and UNDP. Around this core funding the Center was able to build up a number of additional projects funded from various sources. In 2001 additional revenues were collected to the tune of 60% of core funding, but in 2002 this number dropped to 30%, and is projected to be around 50% in 2003. In addition to UNDP, the Center's partners in the international donor community are the World Bank, Asian Development Bank, TACIS/EuropeAid, DFID, USAID, Open Society Institute, Eurasia Foundation, etc.

These are impressive accomplishments, but broad fluctuations of additional funding indicate that the task of generating a steady flow of revenues from sources external to government and UNDP is yet to be solved. This task is of particular importance, because

the core funding available so far is not guaranteed forever, which makes successful fundraising a critical precondition for CER's sustainable development.

The Center has a cadre of skillful fundraisers, financial managers and public relations experts that are apt for the job. The Center's recent efforts in this field, such as convening a representative Meeting of Donors and Partners, and the decision to set up a Public Relations unit that will be responsible for fundraising, are indications that fundraising matters are taken by CER seriously. The proven ability of CER to meet reporting, accounting and transparency standards of Western donors clearly improve the Center's fundraising prospects.

As CER evolves towards a more conventional model of think tank operation, it will have to build a portfolio of grants and projects from sources external to the two main sponsors and clients – the Government of Uzbekistan and UNDP. Diversification of sources of funding and the share of financing obtained outside of 'parental' organizations are commonly accepted indicators of think tank's progress towards maturity and sustainability.

CER's earlier attempt to organize a consortium of donors by convening a donor roundtable in January 2003 proved to be of limited effectiveness. In addition to well-known difficulties of coordinating actions of several donors with their own agendas and priorities, a lack of success of the donor's roundtable could be ascribed to the reluctance of potential donors to provide on cost-sharing basis institutional development grants to an organization capable of raising funds by more conventional means, i.e. through project-related grants and contracts. In fact, CER has proven its capacity for such fundraising by winning at various times grants and contracts from numerous foundations and international donor agencies. This conclusion is consistent with the reluctance of major donors to contribute on a cost-sharing basis to an endowment fund for CER, observed in the 2002 Report of Strategy Formulation Mission. According to the cited report, donors endorsed the idea of an endowment fund in principle, but in the short term gave preference to project-related funding (as it was stated by a donor representative in one of the interviews held by the consultant, 'we're not in the business of supporting a think tank, we're in the business of advancing reform through think tank participation').

In the future CER fundraising needs to be better focused, and distinguish between two separate, even if interrelated, objectives:

- To ensure core funding for the center that would serve as a financial base for CER operations in a mid-term (several years) perspective,
- To develop and maintain a project portfolio around the core, and
- To offer a range of revenue-generating services that would ensure an additional steady stream of revenues for public policy studies

Future fundraising efforts have to emphasize potential donors' programmatic priorities in Uzbekistan and the Central Asian region. The departing point in such efforts should be the needs of a donor, not of the applicant institution; a winning grant application should

demonstrate why CER is best suited to meet these needs, and how the proposed project would advance the donor's agenda. Some donors interviewed by the consultant believe that CER is not sufficiently aggressive in pursuing leads with individual donor agencies that could result in new grants and contracts.

Based on the interviews held by the consultant, the prospects for such efforts with major international donors active in Uzbekistan are very good. The Center is well-known and well-respected in the donor community, and its proposals would be welcomed and taken seriously. A list of possible leads that could be pursued with particular donors, which is based on donors' preferences and programmatic priorities expressed in the course of the interviews held by the consultant, is attached (Annex 2).

It is recommended that CER considers the creation of an endowment fund as a highly desirable option that could be pursued in a more distant future. The consultant knows of no independent think tank in the former Soviet Union that was able so far to establish a sufficient endowment fund. It is noteworthy, however, that some donors that were providing for years their support to leading policy institutions in newly independent countries are presently contemplating endowment options prior to exiting such countries when the latter graduate from donors' assistance.

## **10. Relations with government**

CER has been established as a joint venture of the Government of Uzbekistan and UNDP; it is supported by and actively communicates with its two founders. Relations of the Center with the national government and UNDP are highly important for assessing CER's performance up to date and for the future of the Center as a public policy institution.

A signature feature of CER work has been close engagement with and multiple links to the Government of Uzbekistan. These include:

- The government was instrumental in setting up CER, which was officially established by a decree of the President of Uzbekistan
- High-level government officials, including the chief economic advisor to the President, are members of CER's Steering Committee
- CER gets substantial government funding through a designated line item in the state budget
- The Center works on government orders, supplying the cabinet, office of the President, and the Central Bank, with various policy papers and assessments
- It has access to sources of information which are restricted for public use
- It recruits government officials for its policy studies

Closer than the arm's length relation with the government is a clear departure from the standard model of think tank's operation that requires that non-government non-profit policy institution maintain independence from state bodies to ensure impartiality of its

policy assessments. A classical think tank influences policy process by placing its studies in the public domain, where they can be accessed by the government, political movements, opinion leaders and the general public.

The above model, however, is not feasible in today's Uzbekistan, and an institution that wishes to have an impact on government policies has to find ways to directly contribute its products and recommendations into the chains of government decision-making. That in turn calls for direct communication of analysts with officials, and CER's practice reflects this necessity. Other advantages of such practice are:

- Government officials develop a sense of "ownership" in policy assessments and blueprints produced with their participation, which improves implementation prospects
- CER enjoys credibility and good rapport with the government that allow for open policy dialog and further facilitate implementation of produced outputs
- The Center helps 'plant' in the government modern economic concepts and ideas and thus affect in a positive way how policy matters are addressed in the government
- Government's involvement opens access to information that would not be available for policy studies otherwise

The last point requires further elaboration. First, large segments of the information officially available from government statistical agencies are considered restricted or classified and would not be divulged to a fully stand-alone think tank. Second, officially available information is believed to often lack accuracy and has numerous lacunae. It is argued that the only way to close such gaps is to deal with those who are 'in the know' through practical experience of government work. Engaging such individuals in policy studies gives access to such 'dispersed' sources of data and provides valuable reality checks.

The practicality of close engagement with the government can be seen from the strong and visible impact of CER's policy studies on economic policies and law-making in Uzbekistan, as illustrated by a long list of government resolutions, policies, and enacted laws that were proposed, elaborated, or otherwise furthered by CER. However, some donors interviewed by the consultants, including those at the Asian Development Bank and OSI, would like to see more immediate evidence that CER's policy work is indeed an influential factor in government's decision making process. This request could be difficult to accommodate, as divulging specific details about the dialog between the CER and government could conceivably threaten the atmosphere of trust and mutual confidence between the parties that was an important asset of CER up to date. Yet, CER will have to find a way to respond to donors' preference for more information about the way the Center influences policy-making in Uzbekistan, without jeopardizing the opportunities for future policy dialog with the government.

The obvious downsides of close relations with the government are the concerns about independence, impartiality and opportunities to raise critical voice. Slow pace of

economic liberalization in Uzbekistan was in part ascribed by some international donors' representatives interviewed by the consultant to the failure of CER to vigorously support more radical reform. Since communication between government and CER occurs 'behind closed doors', it is hard for an outsider to make an informed opinion on what precisely are the policy options advocated by the Center, and to what extent government actions reflect CER's proposals.

When these concerns were mentioned by the consultant in discussions with CER's staff members and government officials interviewed by the consultant, it was emphasized that the Center's communication with government officials from the Office of the President, Ministries of Economy, Finance, Labor and Social Policies, Central Bank, etc, are frank and uninhibited, and that in fact CER's counterparts in the government invite critical remarks and thinking that 'pushes the envelope'. It was further mentioned that work with CER is an opportunity for government officials to be more independent, free-thinking and broader-minded than it is customary for their day-to-day office work.

The closeness of CER's relations with the government doesn't come without strings attached, and in particular restricts the ability of the Center to release many of its policy studies in full to the public and even to the donors that funded such studies (see also Section 7 of the report). The reason for release restrictions is the use of classified information in the course of preparation of the studies. Such restrictions are indeed binding and once again highlight the still numerous obstacles to independent public policy analysis in the country. They require innovative thinking at CER on how to increase the public exposure of its work while being in strict compliance with the legislation in effect on these matters and observing the agreed upon confidentiality clauses. One option could be to prepare lengthier public releases which are more informative than currently circulated policy briefs, another – to work with the government to ease constraints on public release of economic information. This, apart from addressing the Center's own operational problem, will benefit all of the policy expert community in the country, improve government transparency and accountability, and facilitate reaching social consensus on economic reform and development strategies in Uzbekistan.

## **11. Relations with UNDP**

Support of UNDP has been a key ingredient of CER's successful performance up to date. Apart from providing funding, UNDP facilitated CER's interaction with other major international organizations, government donor agencies, and private foundations. UNDP helped integrate CER's work in the overall context of international efforts to advance economic reform and development in Uzbekistan.

UNDP served as a bridgehead on the international donor community's side in establishing CER as a liaison between international organizations and the Government of Uzbekistan. Direct engagement of development agencies in policy-making process in transition and developing countries at times faces various obstacles, and an indigenous

mediator trusted by both sides could play a very useful role in facilitating communication between such agencies and national governments. CER has been quite effective in playing this role under UNPD's umbrella. This can be seen, inter alia, from the acknowledgment in the United Nation's Common Country Assessment for Uzbekistan (2003) that "the government [of Uzbekistan] has shown strong commitment to the process [of dialog of the United Nation's Country Team with its partners, especially the government, the World Bank, and the Asian Development Bank] through its active participation at all stages" (p.8). CER can take credit for facilitating such rapport and collaboration.

UNDP's support also signaled to international donors and development agencies CER's professional credentials and institutional strength, including compliance with modern governance and reporting standards. This, in addition to the Center's proven abilities and track record, allowed CER to build a portfolio of projects funded by various donor organizations. The ability to raise additional funding (on top of the support from the government and UNDP) is of particular importance from the viewpoint of the Center's long-term sustainability as an independent think tank.

Support of UNDP up to date gave CER a strong development impulse. Despite of the demonstrated success of the Center, its enhanced professional and institutional capacity and improved ability to raise funds on its own, cooperation with UNDP remains an important condition of sustainable development of CER. If such cooperation were abruptly discontinued, it would have undermined the unique position of the Center as a bridge between the Government of Uzbekistan and international development agencies, and could have been misinterpreted in the rest of the donors' community as a lack of confidence in CER.

At the same time the mode of cooperation between UNPD and CER should evolve to reflect the increased maturity of the Center and prepare it to the eventual graduation from UNDP's support. This requires replacement of a block institutional development grant by financing tied to specific projects and activities that directly benefit both the donor and the recipient of finds, while advancing economic transition and development of Uzbekistan. It is proposed that this new mode of funding consists of two stages.

At the first stage which could last up to a year CER helps UNDP to develop a mid-term action program in Uzbekistan. Such plan should reflect CER's extensive first-hand knowledge of political and economic realities in Uzbekistan, vision and understanding of the nation's development problems and priorities. By working with UNDP on the action plan, the Center will also channel an input from the Government of Uzbekistan into UNDP's strategic planning process, thereby improving the prospects of effective implementation of the new UNDP operational blueprints. CER will receive appropriate compensation from UNDP, offered on the contractual basis, for its role in the work on the action plan.

At the second stage the jointly produced action plan will be implemented, with continued active involvement of CER. This time the Center will have specific roles to play in the

UNDP's activities and projects provided by the action plan, and again, will be contracted by UNDP on a project-by-project basis to perform such services.

The feasibility and potential of the proposed strategy can be seen from the fact that the United Nation Team in Uzbekistan has already been successfully collaborating with CER on important policy analysis projects, including the joint study by UNDP and CER on "Linking Macroeconomic Policy to Poverty Reduction in Uzbekistan" (2003), which has become an analytical cornerstone for UNPD's strategy in the country.

## **12. Lessons learned**

The main lessons of the project under evaluation are as follows.

1. The Government of Uzbekistan and UNDP have successfully cooperated with each other in setting up a modern economic policy institution, and drew multiple benefits from this joint venture. CER has proven to be a highly efficient medium of communication between the national government and international donors.
2. The think tank mode of policy analysis that CER pioneered in Uzbekistan has proven to be efficient, viable, and is now being emulated by other research institutions in the country.
3. This mode provides good opportunities for accumulation and dissemination of professional and organizational know-how necessary for modern public policy analyses.
4. CER plays an important role in advancing policy reform in Uzbekistan, and has become a valuable developmental resource for the country.
5. CER management and staff's creativity allowed for an innovative adjustment of think tank concept to the realities of today's Uzbekistan.
6. The operational model employed by CER allowed the Center to assemble policy analysis teams comprising both in-house and outside experts, including those recruited from government agencies. This model offered a second-best solution of the problem of meeting government's needs on a broad range of policy issues, but at the cost of slower accumulation of CER's own professional resources.
7. The main direct beneficiary of the project was the Government of Uzbekistan that received access to a professional and trustworthy source of policy studies. Close engagement of CER with the Government did not compromise the ability of the Center to bring up controversial policy issues and often assume a proactive role in its dialog with the government.
8. Direct interaction of CER with the general public was less active and largely confined to printed and electronic media.
9. CER was able to build up reputation and track record necessary for successful fundraising from sources other than the government and UNDP, but not at the level where the founders of the Center could terminate their support.

10. The idea to organize a donor consortium that would support CER's operations in the future has proven to be less than fully successful. A better option would be continued support from the founders of CER, albeit primarily on the contractual fee-for-service basis, combined by CER's own fundraising efforts targeting individual donors with specific project proposals.

### **13. CER's main assets, comparative advantages and potential weaknesses**

The marketplace for policy analysis in Uzbekistan is becoming increasingly competitive, both due to the entry of new policy institutions (mostly for-profit consultancies) and reform of traditional organizations along the lines of the think tank model. This requires a careful review of CER's assets, comparative advantages, as well as an identification of potential weaknesses and bottlenecks, in order to seek improvements of the current mode of operation and ensure robust performance of the Center in the future.

CER's *main assets* are:

- An indigenous cadre of policy analysts with experience and track record of modern policy studies and first-hand knowledge of Uzbekistan's economic and social problems
- Communication channels to government and other stakeholders
- Name recognition, professional reputation and rapport with government, international donors, and the nation's expert community
- Literature, databases, economic models and other professional tools
- Popular and efficient dissemination tools, including the nation's leading economic periodical
- Institutional experience of running a modern think tank, and meeting accounting and reporting requirements of major donor agencies

At the moment most of the above assets are exclusive to CER, which constitutes the Center's *comparative advantages* vis-à-vis its potential competitors. However, none of these advantages are everlasting, as the government begins distributing its contracts for policy studies through an open procurement system, and other start-up think tanks are quickly gaining professional and institutional experience (in particular, by using learning-by-doing opportunities offered by participation of outside analysts in CER policy analysis teams) and make inroads to international donors. Some of these entrants are specializing in relatively narrow fields of policy studies – this makes it more difficult for a broad-agenda institution such as CER to successfully compete with them in the areas of their primary expertise.

CER's main *potential weakness* is heavy involvement of its leading staff members in coordination of policy teams, which leaves less time for their own professional growth. To overcome this threat, CER has to heavily invest in professional development of its staff and perhaps identify areas of policy-making where it will be striving for long-term intellectual leadership. This is a difficult objective, given the Center's massive



involvement in the ongoing policy analyses, multiple claims on its expertise, and the needs to raise funds for day-to-day operations. This is but one of the *development challenges* that CER will have to address. Other challenges are:

- Balancing long-term goals and priorities of the Center with the need to perform and fund its day-to-day operations
- Making a choice between a versatile multi-purpose think tank, or a more narrowly specialized institution
- Maintaining close engagement and rapport with government officials while preserving independence and impartiality
- Satisfying needs of the society in in-depth policy assessments and international donor requirements for broad circulation of policy materials, while meeting still onerous confidentiality constraints imposed by the government
- Work in a country which is yet to develop a critical mass of modernly trained policy experts that would ensure vibrant professional debates, peer review, and competition of policy ideas
- Substituting international experts and consultants in policy studies and development projects, while maintaining cooperation with foreign colleagues in areas where local expertise is still insufficient
- Expanding public-private dialog over policy process
- Developing a portfolio of grants and cost-recovery projects supplementing and eventually supplanting support of the government and UNDP.

#### **14. Conclusions**

UZB/97/008 project ‘Center for Economic and Social Studies’ has been highly successful on three important counts: (i) generating a stream of policy studies on topical issues of social and economic development of Uzbekistan, and communicating such studies to the nation’s policy-makers, (ii) enhancing indigenous capacity for policy analysis and reform in the country, and (iii) setting up a strong institution which is a recognized leader and standard-setter for the emerging think tank sector in Uzbekistan.

CER will continue to be a valuable resource for the country, and the future demand for its services is likely to grow. In addition to its heretofore dominant function of advising the government, CER will be called upon to address and educate the general public and raise awareness in the society on public policy matters.

Modes of operation, governance and fundraising of CER have proven to be effective and adequate to the conditions under which the Center operated, but will be evolving in response to new needs, challenges, and opportunities, bringing CER closer to full independence and sustainability. While UNDP ceases its donor’s functions provided by the UZB/97/008 project at the end of 2003, its future involvement with CER on an appropriately modified basis remains of critical importance for successful implementation of long-term development strategy of the Center for Economic Research.

## **Annex 1**

### **Interviewed individuals**

#### *Government officials*

##### Central Bank of the Republic of Uzbekistan

Ravshan Gulyamov

##### Department for External Economic Relations and Foreign Investments

U. Ruzikulov

Orzimirad Gaybullaev

##### Ministry of Economy

Galina Saidova

##### Ministry of Macroeconomics and Statistics

Furkat Baratov

##### Office of the President

Viacheslav Golyshev

#### *Policy experts/consultants*

##### BRiF Research Group (Almaty)

Alexander Ruzanov

##### CASE (Warsaw)

Marek Dabrowsky (phone interview)

##### Center for Economic Research

Bakhodur Eshonov

Nodirbek Ibragimov

Narimon Kadyrov

Azizkhan Khankhodjaev

Nusratulla Mukhamedov

Farhod Sagatov

Nishanbaj Sirazhiddinov

Yulij Yusupov

##### Center for Social Research “TAHLIL”

Yakov Asminkin

##### Center for Social Studies “Expert Ficri”

Arustan Zholdasov

Center of Fiscal Policy  
Orifjan Namozov

Institute for Forecasting of Development and Liberalization of Banking and Financial System  
Kamoliddin Talipov

IRIS Center at the University of Maryland  
Malcolm Russell-Einhorn

Public Policy Research Center (Almaty)  
Meruert Makhmutova

*Representatives of international development and donor agencies*

Asian Development Bank  
Mandar Jayawant  
Sean O'Sullivan

Canadian International Development Agency  
Nailya Okda

Eurasia Foundation  
Jeff Erlich

Europa House  
Peter Reddish

GTZ  
Peter Darjes

Japan International Cooperation Agency  
Kosuke Nakajima  
Otarbek Rakhimov

Konrad-Adenauer-Foundation  
Heinz Buhler

OSI  
Alisher Il'khamov

Swiss Cooperation Office, Embassy of Switzerland  
Murat Mirzaev

UNDP

Dafina Gercheva,  
Richard Conroy  
Ben Slay (phone interview)

USAID/Almaty

Michael Fritz  
Lewis Tatem

USAID/Tashkent

Ulugbek Isaev

USAID/Washington

Timothy Alexander

Uzbekistan Economic Reform project

David Martin

World Bank

Dennis de Tray

## Annex 2

### **Project opportunities for CER revealed at consultant's meetings and discussions with potential donors**

#### Open Society Institute

OSI runs the Economics and Business Program that informs private sector firms on legal and regulatory reform, tax regime, pension programs etc. OSI would welcome greater CER's involvement in this program.

OSI is developing a course on modern public administration

#### Asian Development Bank

Various training courses that could be provided by CER upon request of the Government of Uzbekistan

#### Eurasia Foundation

Research in international trade regime

Projects on regional (oblast') economic development and local self-government

Collaborative policy studies with colleagues from neighboring countries

#### Europa House

Institution Building Partnership Program offers grants up to Euro 200,000 for partnership projects implemented jointly with European institutions (application deadline in April 2004).

CER's training programs with support from EuropeAid can be organized in cooperation with the Academy for State and Social Construction

#### GTZ

Studies of WTO accession and foreign trade regime in Uzbekistan

#### Japan International Cooperation Agency

Agency's priorities are (i) capacity building for policy reform, (ii) economic infrastructure development, (iii) social sector reform. It would welcome CER's proposals in all of the above areas.

CER can find potential clients/sponsors in the Japanese corporate sector through Japan External Trade Organization

### Konrad-Adenauer-Foundation

Central Asian Economic Training program for journalists  
Seminars on various issues of economic reform  
Regional Focus – a program that puts economic reform and development in Central Asian countries into a comparative perspective  
Training for SME development program

### UNDP

Participation in development of UNDP's mid-term action program in Uzbekistan  
Work on projects under the above program  
Analytical and capacity-building work in regions of Uzbekistan

### USAID/Tashkent

CER has opportunities for collaborative policy studies within Uzbekistan Economic Reform Project