

with international organisations including ADB and IMF, on reforming the budget process and gradually transiting to MTBF.

As part of this fiscal strategy, the MoF is planning to develop the programme/performance based budgeting system. With EU technical assistance support, there is a further commitment to implement a programme-based budgeting system to the MoA in 2021 - 2022 and coordination between the MoF and MoA has recently been initiated to manage this process.

Finally, the Cabinet of Ministers has adopted a roadmap for reporting according to the International Financial Reporting Standards in the public sector. In addition, information on deposits, loans and obligations of budget organizations and state-target funds will be made available in the future for the general public.

The fight against corruption is now one of the top priorities of the Uzbek authorities, with concrete measures going in the right direction. In 2017, the Law "On Combating Corruption" was adopted. During the following years, a number of related legislative acts were approved, amongst which the Laws "On Administrative Procedures", "On Public Control", "On Public Procurements", "On Dissemination of Legal Information and Ensuring Access to It" and "On the Protection of Victims, Witnesses and Other Participants in Criminal process". In 2020, the Presidential Decree "On additional measures to improve the anti-corruption system in the Republic of Uzbekistan" was adopted establishing the Anti-Corruption Agency in accordance with international standards (Articles 6 and 36 of the UNCAC). Also a fairly comprehensive Anti-corruption Strategy was adopted which, even if improvable, takes into account many international recommendations and best practices.

In conclusion, the relevant budget documentation has been published and the eligibility criterion is met.

### 3. DESCRIPTION OF THE ACTION

#### 3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to contribute to the development of a sustainable market-oriented and inclusive agri-food system that will increase farm income, expand livelihood opportunities and enhance food security for smallholder farmers, women and the most vulnerable groups in Uzbekistan.

The Specific Objectives (Outcomes) of this action are:

1. To support the implementation framework of the agri-food development strategy enabling inclusive development of a climate smart agri-food sector.
2. To support sustainable livelihood opportunities, food security and nutrition, decent jobs and access to markets for the most vulnerable (smallholders, MSMEs, youth, women, disabled, migrants).

The Induced Outputs to be delivered by this action and contributing to the corresponding Outcomes are inter-linked and mutually reinforcing. They contribute to the implementation of the sector strategy through:

##### Contributing to Outcome 1:

1. Enhanced policy and regulatory framework supporting competitive, inclusive and fair value chain development – Pillars 2, 5, and 9
2. Enhanced institutional capacities for effective promotion and uptake of environmentally sustainable practices – Pillars 8, and 4
3. Institutional capacities developed to ensure compliance with international standards for food safety, pesticide use and sanitary and phytosanitary regulatory measures - Pillars 1, and 2
4. Strengthened institutional capacities for PFM, incl. gender responsive budgeting, strategic planning, integrated management of development programmes, statistics, digital services; Pillars 5,6, and 9
5. Institutional capacities developed for a demand driven Agriculture Knowledge and Innovation System to support climate smart agri-food sector. (research, education, advisory services and finance); Pillar 7

##### Contributing to Outcome 2

6. Policy and regulatory framework established for food security and nutrition and related key institutional capacities developed. – Pillar 1
7. Revised land management legal framework allowing transparent equal access and rights to land use for women and men, and, supporting environmentally sustainable land use.- Pillars 2, 4, and 5