

The “Social Protection Innovation and Learning” project in Uzbekistan

GIZ is collaborating with development partners to strengthen systems and capacities for social protection at all levels

Context

Uzbekistan benefits from a relatively comprehensive social protection system inherited from the Soviet era, which includes social assistance, labour market interventions, pensions and social care services. However, as the country transitions towards a mixed system combining universal benefits with targeted approaches, important challenges remain for extending coverage of needs-based social assistance to all those who need it.

Although significant progress has been made over previous decades, poverty remains entrenched - the Asian Development Bank estimates that 11.5% of citizens are living below the national poverty line. Furthermore, like many countries, Uzbekistan is suffering from the adverse effects of the COVID-19 pandemic and the economic shocks triggered by the Russian invasion of Ukraine, including rising inflation, higher unemployment and reduced remittances from overseas. These impacts, together with the Government’s current programme of market-based reforms, have the potential to disproportionately affect lower-income and otherwise vulnerable households.

Enhancing social safety nets are key areas of the Government’s economic modernization reforms that are aimed at reinvigorating equitable growth for all citizens, and the government which has substantially increased funding for social assistance in 2020 and 2021. Major plans include the implementation of the national social protection strategy, widening access to pensions, and a transition away from informal employment and high levels of under-employment towards a more formal economy. The lack of comprehensive data on poverty and vulnerability, as well as a need for greater transparency and public access to information further compound these challenges.

Project name	Social Protection Innovation and Learning
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Project region	Uzbekistan
Main partner	Ministry of Finance, Government of the Republic of Uzbekistan
Duration	11.2022 - 10.2025

Our objectives

The overall objective is to support the Government of Uzbekistan to build sustainable and adaptive social protection systems.

Our measures

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is working with the Ministry of Finance to implement the Strengthening Capacities for Social Protection project on behalf of Germany’s Federal Ministry for Economic Cooperation and Development (BMZ). GIZ is working in partnership with other agencies to encourage innovation and to realize synergies based on the different unique contributions of each partner.

The principal development partners providing support to social protection in Uzbekistan include the ILO, which has provided technical assistance to the Ministry of Finance to help draft the new National Social Protection Strategy and is currently supporting the Government in the transition towards formal employment, while UNICEF is supporting the establishment of



The programme will contribute to achieving the sustainable development goals.

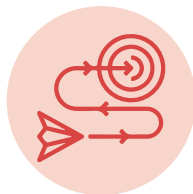
a national leadership and coordinating agency - the Agency of Social Protection. The World Bank and UNICEF are supporting the harmonisation of benefits, and the development and introduction of a single national registry of beneficiaries which should significantly improve the targeting of social assistance.

This project is part of a longer-term approach to building sustainable social protection systems and sits within the wider strategic partnership between the World Bank and GIZ, Social Protection Innovation and Learning (SPIIL). Together, the partners aim to enhance the impact of investments on system strengthening as well to strengthen donor coordination.

While the detailed design of the project is yet to take place, technical cooperation will be focused in three principal areas.

Policy and strategy development and implementation

This component will support the finalization of the National Strategy for Social Protection for 2022 - 2030, which is fully in line with human rights principles and global social security standards. Depending on the final provisions of this strategy, GIZ support may include activities to strengthen individual and institutional capacities at the newly established national social protection agency, which will be responsible for overseeing implementation. Successful implementation will depend in large part on improved cross-sector coordination and collaboration which is an important element of GIZ technical cooperation.



Further potential areas of support include support for digital social protection systems, based on GIZ's long expertise in this area, and enhancing data protection policies through access to good practices and international reference frameworks and standards. In line with German Development Cooperation priorities, GIZ will also explore the potential to harness adaptive social protection systems to address the risks related to natural hazards and climate change as part of a One Health approach.

Using data for decision making

The World Bank has been providing support to the establishment and roll-out of the national single beneficiary registry. The GIZ project will work with national social protection stakeholders (i.e. the Ministry of Finance and new Agency of Social Protection) to strengthen the use of data and information for policy formulation and decision making, encompassing data from the new registry as well as other social protection systems, such as the Labour Market Information System, and relevant surveys and databases. The idea is to harmonise social protection information systems, using the data to extend coverage of social assistance in an equitable manner.



Drawing on long experience of supporting digital innovation and development in other countries, GIZ will also explore the potential to enhance the operation of the new registry through ensuring its interoperability with existing digital systems in Uzbekistan, as well as through provision of technical expertise in the areas of digital identities, data warehousing and database management. These are just some of the additional fields where GDC is well placed to contribute expertise.

Capacity development of implementing partners

This component will support the implementation of the single registry at local level and is likely to include capacity development in the areas of data entry, data generation and processing, as well as data quality. Clear rules and regulations on use of data are needed for the different system users, and existing guidelines and standard operating procedures need to be made available and accessible to those using the single registry. Improving service delivery through the analysis and use of information will be a key objective of this component, requiring new knowledge and skills for both individuals and institutions.



And finally, the project aims to strengthen the capacities of subnational authorities at the regional, district and community/ neighbourhood levels, particularly in the areas of communication, outreach and awareness raising, and management of grievances.

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