

UZBEKISTAN ANTI-CORRUPTION DIGEST

NORMATIVE LEGAL ACTS

THE CORRUPTION FREE SPHERE PROJECT IN THE FIELD OF CAPITAL CONSTRUCTION IN ACTION



Presidential Decree No. PF-5729 of May 27, 2019 “On measures to further improve the anti-corruption system in the Republic of Uzbekistan”, prescribes that from August 1, 2019, as an experiment, to organize, with the involvement of the public and leading experts, including foreign ones, the implementation of the “Corruption Free Sphere” at the initial stage in the areas of capital construction and higher education, with a phased introduction of the project in other spheres from April 1, 2020.

In order to ensure the implementation of the tasks specified in the decree, a “Roadmap” of 33 clauses on the implementation of the project “Corruption Free Sphere” in the field of capital construction has been developed and approved.

To date, extensive work has been done to ensure the implementation of tasks specified in the “Roadmap”,

the elimination of corruption and bureaucratic obstacles in the construction sector, ensuring transparency at all stages of the construction processes through the widespread introduction of modern information and communication technologies in the field.

Paragraph 4 of the “Roadmap” of the project “Corruption Free Sphere” in the capital construction provides for the introduction of the Ministry of Construction “compliance control”, aimed at strengthening anti-corruption measures with the support of the United Nations Development Program.

According to the Resolution of the Cabinet of Ministers No.72-f of February 17, 2020 appropriate measures have been developed in connection with the introduction of “compliance control” system to combat corruption in the Ministry of Construction with the participation of experts from the international auditing company KPMG (Italy).

In the first phase of the work carried out jointly with the experts of KPMG (Italy), 25 laws and 30 internal documents of the Ministry, relating to the construction industry were analyzed.

Foreign experts of KPMG conducted 40-hour interviews with 27 ministerial departments and heads of departments, identified 70 causes of corruption in the system and developed 50 recommendations to eliminate them.

On the basis of the Decree of the President of the Republic of Uzbekistan by July 6, 2021 No. PQ-5177 “On additional measures for effective organization of anti-corruption activities” full-time positions of compliance-control specialists were established in the system of the Ministry. Candidates for these positions were selected on a competitive basis in coordination with the Anti-Corruption Agency of the Republic of Uzbekistan.

In addition, as part of programs of cooperation with the UN Development Program and KPMG experts more than 15 open and transparent recruitment mechanisms for vacant positions in the Ministry of Construction, conflict of interest management, crime reporting, public procurement; internal departmental documents were revised in accordance with international standards.

Also, with the participation of specialists from the UN Development Program and KPMG in the ministry more than 20 video conferences and training seminars were organized for all responsible employees working in the system of the ministry, as well as compliance control specialists. These educational seminars were covered by the media.

In order to ensure transparency in the implementation of innovative technologies, Presidential Decree No. PP-4464 “On measures to widely introduce information and communication technologies in the sphere of construction” was adopted on September 20, 2019.

In accordance with the Decree the national information system “Transparent construction” and geoinformation system (geoportal) “State town-planning cadastre of the Republic of Uzbekistan” were developed to maintain the state town-planning cadastre and provide the population with town planning documents and information online.

By the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No.69 of February 8, 2020 the Center for the development of information and communication technologies in the construction industry was established.

Also, the Resolution No.732 of the Cabinet of Ministers of November 19, 2020 “On measures for the further development of information systems and geoinformation technology in the construction industry” was adopted, which allowed to fully digitize the reconstruction of construction projects, preparation of design estimates, examination, monitoring and control activities.

As part of the national information system “Transparent Construction”, the Center developed:

- information system “Construction Quality Control”;
- information system “Expertise of design and estimate documentation”;
- electronic registry “Expert conclusions of design and estimate documentation”;
- information-analytical system “Control over the construction of objects of the investment program”;
- information systems of the “State Construction Services” platform. Licensing services for certain types of construction are fully digitized through this platform.

Information systems developed as part of the national information system “Transparent Construction” were integrated with

information systems and databases of other government agencies.

From January 1, 2021 information systems developed under the national information system “Transparent Construction” will be fully operational in all regions of Uzbekistan.

In the sphere of capital construction in the framework of the project “Corruption Free Sphere” effective work was done to improve the efficiency and effectiveness of design and survey and construction contracting organizations, creating a healthy competitive environment between them, and further improve the quality of construction and installation work.

In particular, the Presidential Decree No. UP-5963 of March 13, 2020 “On additional measures to deepen reforms in the construction industry of the Republic of Uzbekistan” was adopted.

In accordance with the Decree, from September 1, 2020 there was introduced an electronic rating of construction contractors, which is automatically formed and classified by the volume and objects of construction work based on tax and statistical reporting data, as well as data from the supervisory inspection in the field of construction.

Also, in accordance with the Resolution of the Cabinet of Ministers No.699 of November 9, 2020 “On measures to implement procedures for calculating and maintaining rating of design and construction contractors” an information platform “Rating of construction contractors” was developed.

In accordance with the Resolution of the Cabinet of Ministers Decree of 08.02.2022 No.64 “On amendments to the Cabinet of Ministers Resolution of November 9, 2020 No.699 “On measures to implement procedures for calculating and maintaining rating of design and construction contractors” information platform “Rating of design organizations”, information platform “Rating of construction contracting organizations” updated in the context of the following areas were developed:

1. The direction of construction of roads, bridges;

2. **General construction – the direction of the construction of social facilities;**

3. **Direction of melioration and irrigation facilities construction.**

In addition, the Resolution of the Cabinet of Ministers No.55 of February 5, 2021 approved the Provisional Regulation "On the order of organization and conduct of tenders in the construction".

Based on the requirements of the Regulation, in 2021 the practice of placing tenders in the field of construction through the electronic portal "tender.mc.uz" was launched. Taking into account identified shortcomings in the processes of electronic bidding carried out in 2021 the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan of January 31, 2022 No.46 "On measures to improve the organization and conduct of electronic public procurement in the construction sphere" was adopted. This Resolution approved "Regulations on the organization and implementation of electronic public procurement in the field of construction".

To date, tenders in the field of construction are held through the electronic portal "tender.mc.uz", based on the requirements of these Regulations.

A number of works were carried out to control the performance of construction and installation works, to prevent conflicts of interest in the process of commissioning of facilities.

In particular, in order to further improve the quality of construction and installation work, strengthening the role of supervisory inspections in the field of construction was adopted by the President of the Republic of Uzbekistan on February 5, 2020 No. PP-4586 "On measures to radically improve the quality of construction and installation work and improve the monitoring system in the construction".

According to the Resolution, of April 1, 2020 has been introduced an improved new procedure for state construction control of construction, reconstruction and overhaul based on risk categories and functional purpose of objects.

Also, a subsystem "Control in construction" was launched, electronic document management in the national information system "Transparent construction" in the state construction control was introduced.

At present, more than 32800 users in Uzbekistan carry out measures of control through the system "Control in construction".

In the sphere of capital construction, a number of measures were taken to eliminate administrative and bureaucratic obstacles, simplify and accelerate registration, permitting and licensing procedures.

In particular, in order to optimize the procedures for granting free land plots for non-agricultural purposes and the implementation of architectural and construction works, the Decree of the President of the Republic of Uzbekistan No. PP-4427 "On measures to further improve the procedures for granting vacant non-agricultural land plots and architectural and construction works" of August 26, 2019 was adopted.

On the basis of this Decree the order was introduced, according to which free land plots of non-agricultural purpose in the Republic of Karakalpakstan, regions and Tashkent city began to be provided for business and urban development activities exclusively through an electronic online auction on the trading platform "E-IJRO AUKSION".

This system was further improved by the Resolution of the Cabinet of Ministers No.71 of February 14, 2022 "On measures to implement the Law of the Republic of Uzbekistan "On privatization of non-agricultural land".

Also, in accordance with the letter-order of the Presidential Administration of the Republic of Uzbekistan No.02-2488 of September 4, 2020, in cooperation with the Anti-Corruption Agency, the Chamber of Accounts and the Prosecutor General's Office, the Ministry of Construction developed and approved the "Roadmap to combat and prevent the shadow economy and corruption in 2020-2021".

As part of the implementation of the tasks specified in the Roadmap, 25 normative legal

acts and 30 internal departmental documents regulating the sphere were analyzed in order to determine the facts of corruption, their causes and existing problems in the system of the Ministry of Construction. As a result of the research, 126 potential corruption risks were identified and appropriate measures aimed at eliminating them were identified.

In particular, at the fourth stage of the program of cooperation with the experts of KPMG (Italy) the “Analysis of efficiency of implementation of anti-corruption procedures in the system of the Ministry of Construction of the Republic of Uzbekistan” was conducted. Based on the results of this analysis an additional plan of measures will

be developed on the basis of recommendations provided by the experts of KPMG (Italy).

Today in the system of the Ministry of Construction measures aimed at ensuring the timely and qualitative implementation of tasks to combat and prevent corruption, as well as to further improve the effectiveness of internal anti-corruption control structures continue to be carried out.

Internal Audit and
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of the Ministry of Construction of the
Republic of Uzbekistan