FINANCIAL ASSISTANCE FOR LOW-INCOME FAMILIES IN UZBEKISTAN: A POLICY EVALUATION PLAN

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MAQOLA HAQIDA	ANNOTATION
	Uzbekistan's economy has experienced rapid growth, with the national poverty rate declining from 11% to 8.9% in 2024. However, many households—particularly in remote areas—continue to face food insecurity. Earlier social protection programs were discontinued due to inefficiencies and weak implementation. This paper proposes an evaluation plan for a new financial assistance program for low-income families administered by the National Agency for Social Protection (NASP), designed to support vulnerable populations and reform previous approaches. The program uses the Single Registry for social protection to determine eligibility and involves key stakeholders, including the Ministry of Economy and Finance, banks, makhalla institutions, and beneficiaries. The evaluation adopts non-experimental and quasi-experimental designs, applying mixed methods to assess program efficiency, adequacy of financial support, household food security, and child nutrition outcomes. Data sources include administrative databases, surveys, interviews, and budget analysis.

Introduction. Uzbekistan is a rapidly developing country; however, a significant number of people are living below the poverty line. Despite the growing economy and recent decline in the national poverty rate from 11% to 8.9% in 2024, there are still families who experience hardship and remain vulnerable, especially in the remote regions of Uzbekistan with almost no infrastructure and development. Low-income families struggle to meet basic nutrition needs, healthcare, rising utility costs—which doubled in 2024—and more.

Previous social protection programs failed to deliver expected results, facing coverage challenges and leaving many qualifying families without financial support. The program assumed allocation of social funding through self-governing bodies called "makhallas" located in each region. The rising number of complaints forced the government to form a new National Agency for Social Protection, which now provides a full range of social protection services.

The financial assistance program is designed to target low-income families across the country and reduce poverty by providing reliable long-term social support in the form of cash benefits, nutritional assistance, utility benefits, and access to other major social services. The long-term goal of the agency is fostering economic stability and reducing vulnerability.

This paper proposes an evaluation plan for the NASP financial assistance program. The evaluation addresses both implementation and outcome objectives, using mixed methods to assess program reach, efficiency, food security outcomes, and child nutrition impacts across regions of Uzbekistan. Understanding the relationship between program implementation quality and outcomes is essential to informing evidence-based social protection policy reform.

Literature review. Cash transfer programs have become one of the most widely studied and implemented tools for poverty reduction in developing countries. The global evidence base for their effectiveness has grown substantially over the past two decades, with programs across Latin America, Sub-Saharan Africa, and Asia demonstrating measurable impacts on household welfare, food security, and child outcomes.

The distinction between conditional cash transfers (CCTs) and unconditional cash transfers (UCTs) has been central to the literature. CCTs, which require beneficiaries to comply with specific behavioral conditions such as school attendance or health checkups, were pioneered in Mexico in the late 1990s and subsequently spread to Asia, Africa, and elsewhere. The Asian Development Bank has documented positive outcomes from CCT programs in the Philippines and Indonesia, where transfers linked to health and education conditions contributed to improvements in school enrollment, child health, and gender equity in education. However, the literature also cautions that CCTs are not a universal solution and require sufficient social service infrastructure to meet the demand they create, particularly in rural and remote areas.

Unconditional cash transfers, by contrast, provide assistance without behavioral conditions. A comprehensive systematic review of UCTs in low- and middle-income countries found evidence of positive effects on health service use and health outcomes among children and adults. The review, drawing on 34 studies with over one million participants across Africa, the Americas, and South-East Asia, found that UCTs can reduce vulnerability and improve living conditions, though the magnitude of impact depends heavily on transfer size, targeting accuracy, and implementation quality. Research has shown that transfers amounting to less than 20% of household expenditure tend to have limited impact on child stunting, while those reaching 20% or higher of household expenditure are associated with meaningful reductions in malnutrition.

A comparative analysis of cash and in-kind transfers using Tanzanian household survey data found that both modalities significantly improved household welfare and reduced vulnerability to poverty, though each carries different cost-efficiency and accessibility implications. This finding is relevant for Uzbekistan's program design, which offers both cash benefits and utility compensation as components of its assistance package.

Social protection systems in Central Asia have historically faced challenges of limited coverage, fragmented institutional frameworks, and inadequate funding. A UNICEF assessment of social cash transfer systems in the five Central Asian countries concluded that existing systems were not effective in addressing the needs of poor and vulnerable children and families, with limited coverage and funding undermining the potential for meaningful poverty reduction.

Uzbekistan's social protection trajectory has undergone significant transformation since 2016. According to the World Bank, the national poverty rate dropped from 32% in 2016 to 8.9% in 2024, lifting approximately 7.5 million people out of poverty. The World Bank's lead economist for Uzbekistan noted that the speed of progress was particularly notable given that many countries experienced poverty stagnation or increases during the same period following the COVID-19 pandemic. Government social expenditure has risen sharply, from 35 trillion UZS in 2018 to over 105 trillion UZS by 2022, reflecting a major scaling-up of social commitments.

A critical turning point in Uzbekistan's social protection reform was the introduction of the Single Registry for Social Protection in 2021, which created a unified electronic database for identifying and tracking low-income households. Prior to this, the system relied on makhalla committees as the primary channel for distributing social assistance, a decentralized model that generated significant complaints about targeting errors, inconsistency, and lack of transparency. The establishment of the National Agency for Social Protection (NASP) consolidated institutional responsibility and addressed the fragmentation identified in earlier reform assessments. A joint UN-

Uzbekistan evaluation found that prior to these reforms, only one in three persons living in poverty received any social benefits, and the system covered only 55% of the population, primarily through contributory social insurance.

The makhalla institution has continued to play a central role in Uzbekistan's poverty reduction model, serving as a community-level bridge between government programs and households. International commentary, including a statement by Nobel Prize laureate Abhijit Banerjee, has highlighted the makhalla system as a distinctive and potentially effective mechanism for localized poverty alleviation. However, the literature also points to challenges of uneven performance across makhallas, varying levels of local capacity, and the risk of social pressure in communities where benefit allocation involves personal relationships.

The "From Poverty to Prosperity" program, adopted in September 2024, elevated the government's poverty reduction approach to a new stage, framing poverty reduction as a nationwide movement requiring coordinated action across all levels of government. The Uzbekistan 2030 Strategy further set the objective of halving the poverty rate by 2026 relative to 2022 and increasing the incomes of 4.5 million individuals at risk of falling into poverty.

The evaluation literature for social protection programs emphasizes the importance of matching evaluation design to program context. Where randomized controlled trials are not feasible—as is common in programs that operate nationally—quasi-experimental designs using propensity score matching, difference-in-differences, and regression discontinuity have been widely applied to assess program impacts. Research on Indonesia's conditional cash transfer program PKH demonstrates both the value and limits of these approaches: while quasi-experimental findings showed improvements in household expenditure capacity and child health outcomes, researchers also identified persistent structural issues in targeting accuracy and regional disparities in implementation quality.

Mixed-methods approaches combining quantitative administrative data with qualitative survey and interview data are increasingly recognized as best practice for program evaluations in complex social protection settings. Qualitative methods are particularly important for understanding enrollment barriers, trust dynamics, and the experiences of the most vulnerable subgroups who may be systematically excluded from quantitative administrative records.

The literature consistently identifies a set of cross-cutting implementation challenges relevant to this evaluation: targeting accuracy and the avoidance of both inclusion and exclusion errors; the adequacy of benefit levels relative to household need; the reliability of payment systems; the accessibility of services for remote and mobility-limited populations; and the role of digital infrastructure in expanding or constraining program reach. These themes directly inform the evaluation questions and methods proposed in this plan.

Methods. Application and determining eligibility run through the unified portal called the Single Registry for Social Protection, which also serves as a database to track the current status and progress of families. Eligible families receive financial support via bank cards or withdraw cash at bank service counters. According to Yuz.uz, in July 2025, 621,600 qualifying families received 340.9 billion UZS in financial assistance. The agency has local offices in regions to facilitate the process of verification, application, and benefit receipt. NASP also coordinates additional social protection initiatives to address the needs of households; for example, over one million citizens were provided with heating assistance for the 2025–2026 season.

Key stakeholders involved in the cash assistance program and their roles include:

• National Agency for Social Protection (NASP) — the main body responsible for project implementation and management. NASP manages the Single Registry for Social Protection, determines eligibility, oversees benefit distribution, and is responsible for smooth program operations.

• The Ministry of Economy and Finance (MoEF) — responsible for budget allocation for the social protection system, providing economic analysis of historical data, tracking poverty rates, and monitoring social protection reforms.

• The Ministry of Employment and Poverty Reduction — responsible for managing socio-economic development and coordinating poverty reduction policies.

• Uzinfocom — responsible for digital infrastructure for the Single Registry, including technical support, maintenance, and system security.

• State Committee of Statistics (Stat.uz) — the main source of data on population, poverty rates, household expenditure, and other demographic variables.

• Regional and local governments — overseeing program implementation across regions and resolving complaints at the local level.

• Makhalla committees — providing support for households, collecting feedback, and identifying potential qualifying families.

• Beneficiary and eligible but not yet enrolled families — actively participating in the monitoring and evaluation process.

• Banks — serving as key payment system operators and ensuring payments are accurate and disbursed on time.

The intended target population for the cash assistance program is low-income families (citizens of Uzbekistan) with or without children, identified through the verification process in the Single Registry for Social Protection. Common characteristics include low and unstable income, unemployment, disability, poor housing conditions, and other indicators of vulnerability. The approximate size of the target population is around 2 million people (Stat.uz, 2025). The target population is mainly concentrated in remote and underdeveloped regions such as Karakalpakstan, Surkhandarya, and Kashkadarya. Recruitment strategies include self-reporting and application, application through makhalla committees, and assistance from social workers.

The evaluation for the financial assistance program combines non-experimental design with quasi-experimental design to compare and contrast implementation across different regions. True experimental design is not feasible because the program is active in all regions. This evaluation takes advantage of available statistics and information from social protection agencies, as well as survey and interview opportunities, to capture outcomes directly.

Non-experimental design for implementation questions focuses on the quality of service delivered by NASP, system effectiveness, and reaching the target population. Implementation questions require a correlational design with detailed comparative statistics. Questions assessing the adequacy of allocated funds and enrollment targets rely on cross-sectional and time-series analysis of data obtained from NASP and the Single Registry for Social Protection. Regional differences in performance and target reach are assessed using non-experimental comparative design.

Outcome evaluation questions rely on a quasi-experimental approach comparing enrolled households with eligible but not yet enrolled families to assess the effects of cash benefits. All questions integrate survey and interview results to help interpret qualitative findings and explain observed patterns.

Implementation evaluation questions:

Q1 Implementation: To what extent are the financial resources allocated for cash benefits for low-income families adequate to meet the growing demand for the program?

Q2 Implementation: To what extent do structural, technological, and system-related issues affect the ability of eligible families to enroll in the program?

Q3 Implementation: Has the program achieved the intended number of low-income families, especially in remote regions of the country, compared to initial targets in the strategy?

Outcome evaluation questions:

Q1 Outcome: How does access to the cash benefits program vary across regions (considering families with similar economic conditions), and what factors explain this variation?

Q2 Outcome: To what extent has participation in the cash benefits program improved food access among eligible families compared to those who have not yet been enrolled?

Q3 Outcome: Taking into account that the amount of benefits differs based on the number of children per household, how has the program influenced child nutrition compared to those who have not been enrolled?

The goal of data collection is to gather the necessary data to answer implementation and outcome evaluation questions. Data and data collection methods include:

Financial data and statistics collected from NASP, MoEF, banks, and other participating agencies — including quarterly and annual

budget allocation reports, payout records, payment delay data, and number of beneficiary households per region.

Coverage data — including number of low-income families currently registered and number of eligible but not enrolled families — obtained from the Statistics Committee and Single Registry.

Food security data and children's nutrition data based on expenditure shares, household budgets, and self-reported food shortages.

Survey and interview results covering enrollment barriers, delayed or rejected applications, errors, and appeals.

Data collection methods include official requests for statistics, household surveys, individual interviews, focus groups, and analysis of available administrative data. Data sources include NASP, MoEF, the Single Registry, the Statistics Committee, banks, enrolled households, eligible but not yet enrolled households, social workers at makhallas, and local government members.

The evaluation is expected to cover approximately 900–1,200 households for surveys from each region, with equal distribution among towns and cities to ensure fair coverage and reliable data. The sample size for interviews is expected to be approximately 300 participants, grouped by region.

Data analysis of surveys involves calculating coverage ratios, approval rates, average enrollment time, food budget shares, regression analysis for payment delays, and cost-efficiency. Comparative analysis of actual regional data against targeted enrollment numbers is also conducted.

Qualitative analysis of interviews uses deductive decoding to identify common patterns, enrollment barriers, and digital access issues. Inductive decoding is applied to identify emerging themes such as trust, confidence, and descriptive participant experiences. The combination of quantitative and qualitative results through joint interpretation helps to understand program effects, outcomes, and impacts on child well-being, as well as program strengths and areas for improvement.

Ensuring a culturally responsive evaluation requires acknowledging that financial struggles are a sensitive topic. Evaluators, in cooperation with makhallas and regional offices, must ensure confidentiality and a neutral environment for surveying vulnerable populations, free from pressure or judgment. Communication and accessibility are important concerns, as many respondents may be disabled or limited in mobility. Evaluations must include the most vulnerable and disadvantaged groups: single mothers, persons with disabilities, families not registered for any assistance, and communities in remote and rural areas. To reduce pressure from government representatives, evaluation can be conducted in partnership with trusted local agencies or regional offices of international organizations.

Ethical considerations must also account for the fact that eligible families may fear losing government benefits after participating in the evaluation if they disclose their current conditions.

Results. Program Implementation Objectives

The financial assistance program delivered by NASP is built around the long-term goal of ending poverty, and the evaluation of implementation objectives covers reach, coverage, technical aspects, and delivery. Key implementation objectives and current status are as follows:

Timely and accurate enrollment of eligible individuals and households through the Single Registry for Social Protection. As of 2025, approximately 621,000 households were registered and enrolled, representing about 1.7% of the population. The measurable objective is to reach coverage of approximately 9% — the proportion identified as low-income — within the next five years, as set by the National Development Strategy.

Maintaining on-time transfer of funds and disbursement. As of 2025, approximately 533,000 households received assistance via bank payment, the most reliable and fastest disbursement method (NASP, 2025). The target is for all beneficiary families to receive benefits via bank cards.

Reducing system failures and errors during application, enrollment, and eligibility determination. Integration with other agencies to determine eligibility helps target individuals who qualify. Reducing targeting errors through data integration and cross-agency verification is expected to minimize errors to the lowest possible level within the next five years.

Ensuring citizen outreach and accessibility for the most vulnerable populations. The evaluation examines whether the application and enrollment process is clear and accessible to all applicants.

Program Outcome Objectives

Changes expected as a result of the cash assistance program are primarily linked to long-term poverty reduction. Intermediate results include:

Improved household financial stability — including increased budget available for food, utilities, and other basic needs, and increased support capacity during emergencies such as unemployment or medical crises.

Improved child nutrition metrics — including weight, height, and bloodwork results, and a reduced number of underweight children. Children are expected to have more stable and nutritious diets.

Improved access to social services and local support — given the program's cooperation with related agencies to improve delivery of additional social services, disability assistance, and employment assistance. The main indicator is the reported increase in participation in social support programs run by local makhalla units.

Reduced regional disparities in benefit access — particularly in remote and underdeveloped areas — as evidenced by reduced inequalities in enrollment, payout, and digital access to benefits.

Evaluation Methods for Each Question

Q1 Implementation — Financial Resource Adequacy: Non-experimental design with descriptive financial assessment comparing allocated resources with actual program needs. Change is assessed through budget versus actual spending, annual growth of active cases, and identification of funding gaps. Data from NASP, MoEF's Treasury, banks, and financial officer interviews is analyzed for budget growth ratios, spending ratios, and trend analysis across years.

Q2 Implementation — Structural and Technological Barriers: Non-experimental correlational approach examining how barriers relate to actual enrollment outcomes. Change is measured by comparing enrollment rates across regions with different levels of enrollment challenges and failure reports. Data from the Single Registry and interviews is analyzed for correlations and thematic decoding.

Q3 Implementation — Coverage and Target Achievement: Non-experimental monitoring design assessing coverage rates by comparing actual enrollment against enrollment targets, with particular attention to remote regions. Regional enrollment data from the Single Registry and Statistics Committee is used to explain regional differences.

Q1 Outcome — Regional Variation in Access: Non-experimental comparative design examining regions with similar poverty levels and inequalities in program access. Change is measured by comparing approval rates, processing times, and reasons for rejection based on Single Registry data and individual survey and interview results.

Q2 Outcome — Food Access Improvement: Quasi-experimental design matching eligible non-beneficiary families with currently enrolled households to compare food security indicators. Household food security surveys and market price data are used for matching analysis and regression based on household size, income, and region.

Q3 Outcome — Child Nutrition Improvement: Quasi-experimental design testing whether cash benefits lead to greater improvements in child nutrition. Data is collected from child nutrition sections of the household survey and from medical data at local clinics. A nutritional score comparison t-test is used to test the hypothesis, combined with thematic decoding of interviews with parents who are program participants.

Discussion. The evaluation of the financial assistance program reveals the interconnected nature of implementation quality and program outcomes. Implementation quality directly affects how soon and among whom positive outcomes can be observed. Regional differences in enrollment may result from limited access to service centers and the internet rather than from fundamental flaws in the cash benefit system itself. These barriers could be addressed through effective program implementation, and their presence does not necessarily indicate that the overall program is ineffective.

A key finding from the logic model analysis is the relationship between accurate identification of low-income households through the Single Registry and positive outcome results. When the Single Registry operates reliably and enrollment is broad, more eligible families access benefits, increasing the likelihood of measurable improvements in food security and child nutrition.

Implementation evaluation results may be presented separately to stakeholders, but outcome evaluation results must not be used for decision-making in isolation. Outcome and impact findings must be interpreted in the context of implementation practices. Final outcomes such as improved food access, child nutrition, and household economic stability are the result of consistent and successful program implementation across all regions.

Data collection for implementation questions is also necessary for later outcome evaluation questions, and results should be considered together to understand overall program dynamics and patterns. The culturally responsive evaluation framework ensures that findings accurately represent the experiences of the most vulnerable populations, including those in remote areas who may be disproportionately underserved by current implementation.

Limitations of this evaluation plan include the absence of a true control group, which constrains causal inference in the quasi-experimental design. Matching procedures can reduce but not eliminate selection bias. Additionally, self-reported food security and nutrition data may be subject to social desirability bias, particularly given the sensitive context of benefit eligibility. Future evaluations could incorporate objective nutritional assessments and longer-term follow-up data to strengthen causal claims.

Conclusion. This evaluation plan proposes a rigorous mixed-methods approach to assess the financial assistance program for low-income families administered by the National Agency for Social Protection in Uzbekistan. By combining non-experimental and quasi-experimental designs, the evaluation addresses both implementation effectiveness and program outcomes, including improvements in food security and child nutrition.

The program currently serves approximately 621,000 households and is working toward a five-year target of reaching all low-income families representing approximately 9% of the population. Key evaluation findings are expected to inform decisions regarding resource allocation, system improvements, and regional equity in benefit access.

The evaluation reinforces that implementation quality is the primary determinant of program success. Addressing structural and technological barriers — particularly in remote regions — is essential to achieving the program's long-term goal of poverty reduction and improved household well-being. Continued investment in the Single Registry infrastructure, cross-agency data integration, and community-level outreach through makhalla committees will be critical to realizing the program's full potential.

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