

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. The major development institutions active in Uzbekistan's power sector are the Asian Development Bank (ADB), Islamic Development Bank (IDB), Japan International Cooperation Agency (JICA), and the World Bank. The focus has been on improving the financial viability of the power sector, supply- and demand-side energy efficiency, expansion and rehabilitation of generation and transmission facilities, and reforms. Since 2004, IDB has lent about \$132 million for construction of new transmission lines between major plants to improve the reliability of the 500-kilovolt (kV) transmission system, and for modernization of hydropower stations. JICA has focused its assistance on power generation. It recently committed its assistance to the Navoi thermal power plant amounting to \$420.5 million. The World Bank has provided technical and financial assistance, mainly for (i) improvement of transmission capacity; (ii) energy efficiency, including reduction of commercial losses and improvement of the tariff collection rate; and (iii) water resource management.

Major Development Partners

Development Partner	Project Name	Duration	Amount (\$ million)
Economic Growth			
ADB	Energy Needs Assessment	2002–2004	0.60
	Talimarjan Power Project	2010–2015	OCR: 350.00 ADF: 10.00
	Advanced Electricity Metering Project	2011–2016	150.00
	Samarkand Solar Power Project	2014–2019	110.00
EBRD	Syrdarya TPP Rehabilitation	1998–2005	27.80
IDB	Construction of 500-kV overhead transmission line Syrdarya TPP–Sogdiana Substation (218 km)	2004–ongoing	25.10
	Construction of 500 kV overhead transmission line between Guzar and Surkhan substations (197 km)	2008–2009	42.00
	Nijne-Bozsu HPS (GES-14) Cascade Modernization	2012–2015	65.60
	Advanced Electricity Metering Project	2013–2018	130.00
JICA	Detailed Design Study of Tashkent Power Plant ^a	2002	2.50
	Sector Study for Power Sector in Uzbekistan	2004	
	Survey on Tashkent Heat Supply and Power Plant	2009	0.40
	Extension of Navoi Thermal Power Plant	2012–2013	1.10
	Navoi Thermal Power Station Modernization Project	2013–2018	420.50
	Talimarjan Power Project (in cofinancing with ADB)	2010–2015	293.20
NEDO	Modernization of Tashkent Heat Supply and Power Plant	2010–2013	38.00
World Bank	Energy Sector: Issues, Analysis, and Agenda for Reform	2003	
	Construction of 500 kV overhead transmission line Talimarjan TPP–Sogdiana Substation	2011–2014	110.00
	Advanced Electricity Metering Project	2012–2017	180.00
Government of the PRC	Construction of 130–150 MW at Angren Thermal Power Plant	2012–2014	165.60
China Exim Bank	Construction of 500 kV overhead transmission line Syrdarya TPS – Novo-Angren TPS	2011–2013	33.02
CDB	370-MW CCGT Construction on Tashkent TPS	2013–2016	220.00
Environmental Sustainability			
ADB	Off-Grid Renewable Energy Development	2003	0.35
	Rural Renewable Energy Development	2005	0.30
World Bank	Water Energy Nexus in Central Asia	2004	
	Carbon Finance	2005–2006	

Development Partner	Project Name	Duration	Amount (\$ million)
Regional Cooperation and Integration			
ADB	Regional Power Transmission Modernization Project in the Central Asian Republics	2000	0.90
World Bank	Regional Energy Export Potential Study	2004	
Social Development			
World Bank	Energy for Poor	2005–2006	

ADB = Asian Development Bank, ADF = Asian Development Fund, CCGT = combined-cycle gas turbine, CDB = China Development Bank, EBRD = European Bank for Reconstruction and Development, HPS = hydropower station, IDB = Islamic Development Bank, JICA = Japan International Cooperation Agency, km = kilometer, kV = kilovolt, MW = megawatt, NEDO = New Energy and Industrial Technology Development Organization, OCR = ordinary capital resources, PRC = People's Republic of China, TPP = thermal power plant, TPS = thermal power station.

^a The government is financing modernization of the Tashkent thermal power plant from the Uzbekistan Fund for Reconstruction and Development, Uzbekenergo, and its own resources. JICA will not be part of this project.

Source: Asian Development Bank.

B. Institutional Arrangements and Processes for Development Coordination

2. Three key ministries—the Ministry of Economy; the Ministry of Finance; and the Ministry for Foreign Economic Relations, Investment and Trade—coordinate external economic assistance in Uzbekistan. These agencies are crucial in composing an annual investment program, which is considered by relevant departments of the Cabinet of Ministers and approved by Presidential decree. This investment program stipulates project names, their amounts, investors involved, and a brief project description. The government carefully monitors implementation of priority projects. The government often grants tax exemptions and other privileges to projects that are included in investment programs. The government also regulates the processing of investment projects through a separate resolution of the cabinet of ministers.

C. Achievements and Issues

3. Uzbekenergo prepared an energy sector strategy up to 2020, which the government approved in May 2011. ADB's technical and financial assistance is in line with the energy sector strategy. Prior to 2009, ADB provided technical assistance (TA) projects focusing on identification of investment projects and renewable energy development. In 2010, ADB approved two loans from its ordinary capital resources (\$340 million) and the Asian Development Fund (\$10 million) for the Talimarjan Power Project. In 2011, ADB approved an ordinary capital resources loan (\$150 million) for the Advanced Electricity Metering Project. In 2013, ADB approved two Asian Development Fund loans (\$110 million) for the Samarkand Solar Power Project. Two TA projects are ongoing to prepare (i) the Advanced Electricity Metering Project, Phase 2; and (ii) the Northwest Region Power Transmission Line Project.

4. The proposed project will be the fourth ADB power sector project in Uzbekistan. It is a combined-cycle gas turbine power plant project to improve energy efficiency and to increase power supply. The project will also include capacity development component to strengthen the management capacity of Uzbekenergo.

D. Summary and Recommendations

5. ADB's intervention in the energy sector contributes to the government's development objective. Its role remains strategic. ADB has adequate capacity to implement energy projects in Uzbekistan. Uzbekenergo, the executing agency for externally financed energy sector projects, has also developed adequate capacity that is satisfactory in performance.