



Uzbekistan: Urban Services Projects

Project Name	Urban Services Projects				
Project Number	53107-001				
Country	Uzbekistan				
Project Status	Proposed				
Project Type / Modality of Assistance	Loan				
Source of Funding / Amount	<table border="1"> <tr> <td>Loan 6020-UZB: Project Readiness Financing for Urban Services Projects</td> <td></td> </tr> <tr> <td>concessional ordinary capital resources lending / Asian Development Fund</td> <td>US\$ 15.00 million</td> </tr> </table>	Loan 6020-UZB: Project Readiness Financing for Urban Services Projects		concessional ordinary capital resources lending / Asian Development Fund	US\$ 15.00 million
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Strategic Agendas	Environmentally sustainable growth Inclusive economic growth				
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development				
Sector / Subsector	Water and other urban infrastructure and services - Other urban services - Urban policy, institutional and capacity development - Urban sanitation - Urban solid waste management - Urban water supply				
Gender Equity and Mainstreaming	No gender elements				
Description	Proposed project readiness financing. ADB's experience in Uzbekistan shows that slow project start-up after approval caused mainly by the government's inability to prepare the detailed engineering design (DED) and procurement documents in a timely manner has a negative impact on projects by prolonging implementation, increasing cost, and compromising their impact. The proposed project readiness financing (PRF) is an integral part of ADB's support to the sector. It will support a high level of project readiness by preparing and completing DED, procurement documents, and advance assessment of procurement packages before project approval. The PRF will also strengthen the capacity of project executing and implementing agencies of each ensuing project. The design of the PRF is aligned with ADB's country partnership strategy for Uzbekistan, 2019 2023, and ADB's water and urban operational plans, and environmental operational directions. It also contributes to three of the seven key operational priorities under ADB's Strategy 2030 regarding livable cities, strengthening governance and institutional capacity, and enhancing environmental sustainability.				
Project Rationale and Linkage to Country/Regional Strategy	<p>A. Rationale</p> <p>1. Country and sector context. Uzbekistan has one of the fastest-growing economies in Central Asia gross domestic product growth was 5.1% in 2018, and is projected to be 5.0% in 2019 2020. Agriculture plays a significant role, and Uzbekistan is currently the world's fifth largest producer of cotton and a major regional producer of fruits and vegetables. However, with a young and growing population and increasing rural urban migration, urban growth is an important contributor to the country's recent economic achievements.</p> <p>2. Key urban sector challenges. Rapid urbanization and uncoordinated and financially constrained expansion of cities have placed a heavy burden on the country's aging urban infrastructure, affecting the quality of life, overall attractiveness to investors, and the potential for job creation. Cities are at risk of service delivery failure because of unmanageable growth and limited urban infrastructure, while demand for urban services and infrastructure is increasingly unmet. The issue is further aggravated by (i) the absence of an urbanization policy, strategy, and plans; (ii) rapid urban sprawl with fragmented investments and inefficient service delivery; (iii) weak property laws and regulations; and (iv) low capacity at the city level for urban planning and strategic capital investment. The country needs a national urbanization policy and strategy as well as strategic investments to balance regional development, sustain economic growth, and improve livability for its citizens.</p> <p>3. Government's approach. As a result of presidential decrees on urbanization, the government established an urbanization agency under the Ministry of Economy and Industry to analyze demographic and economic trends in cities and adjoining areas to (i) identify growth areas, (ii) prepare and implement a national urbanization strategy, (iii) develop a comprehensive program for integrated urban development, (iv) provide a holistic solution to urban sector challenges, (v) improve urban rural linkages, and (vi) promote coordinated urban planning and management in public services. The Asian Development Bank (ADB), in coordination with other development partners, is supporting the agency through advisory and capacity development services provided under a transaction technical assistance (TA) facility to prepare the national urbanization strategy, road map, and master plans and to identify innovative solutions for making cities livable. The transaction TA facility (footnote 7) is also financing feasibility studies and safeguard due diligence for the ensuing projects. Four urban projects are currently identified in ADB's country operations business plan for Uzbekistan, 2019 2021: the Tashkent Province Sewerage Improvement Project, Water Supply and Sanitation Development Program, Integrated Urban Development Project, and Sustainable Solid Waste Management Project.</p>				
Impact					
Outcome					
Outputs					
Geographical Location	Nation-wide, Uzbekistan				
Summary of Environmental and Social Aspects					
Environmental Aspects					
Involuntary Resettlement					
Indigenous Peoples					
Stakeholder Communication, Participation, and Consultation					
During Project Design					
During Project Implementation					

Responsible ADB Officer	Jung Ho Kim
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Urban Development and Water Division, CWRD
Executing Agencies	Agency "Kommunhizmat" (CSA) formerly Uzbekistan Communal Services Agency "Uzkommunkhizmat" 1, Niyozbek Yulii Str. Tashkent 100035 Republic of Uzbekistan

Timetable	
Concept Clearance	31 May 2019
Fact Finding	31 Jan 2019 to 15 Feb 2019
MRM	05 Jul 2019
Approval	-
Last Review Mission	-
Last PDS Update	08 Oct 2019

Loan 6020-UZB

	Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	16.80		Cumulative Contract Awards			
ADB	15.00	-	0.00	0.00		%
Counterpart	1.80		Cumulative Disbursements			
Cofinancing	0.00	-	0.00	0.00		%

Project Page	https://www.adb.org/projects/53107-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=53107-001
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