



Tajikistan: Power Sector Development Program

Project Name	Power Sector Development Program	
Project Number	53315-001	
Country	Tajikistan	
Project Status	Proposed	
Project Type / Modality of Assistance	Grant	
Source of Funding / Amount	Grant: Power Sector Development Program	
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 85.00 million
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 20.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development Partnerships Private sector development	
Sector / Subsector	Energy - Electricity transmission and distribution - Energy sector development and institutional reform	
Gender Equity and Mainstreaming	Effective gender mainstreaming	
Description	<p>The proposed Power Sector Development Program (PSDP) will accelerate the implementation of on-going reforms and restore financial sustainability of the power sector in Tajikistan. ADB has supported Tajikistan power sector reforms through the ongoing Sector Operation Performance Improvements (SOPI) program, which has built the basis for the fundamental reform program of PSDP that includes unbundling of the vertically integrated power utility company, restructuring of the utility's excessive liabilities, establishment of a regulator, adoption of a tariff methodology, and establishment of a new centralized cash control system among unbundled entities. As a part of reforms and institutional capacity building, a newly established power distribution company will be given a 5-year management contract. Investments in the retail advanced metering system in Dushanbe and 6 other cities will also fill the key deficiencies in the sector's power loss accounting and bill collection systems. The program is included in the Country Operations Business Plan, 2019-2021. A separately approved transaction technical assistance facility (FTRTA) will be used to finalize due diligence activities.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>The mix of policy-based and investment components of a sector development program is ideal in resolving the severe financial distress faced by the Tajikistan power sector, which requires a combined approach of institutional and regulatory reforms and investments. The sector's financial sustainability and competitiveness will be vital in benefitting from reviving regional integration. Management contract promotes public private partnership and future private sector participation. The program will be designed to align with operational priorities 1 (address poverty and inequality), 2 (accelerate gender equality), 3 (tackle climate, disasters, environment), 6 (strengthen governance, institutions) and 7 (foster regional cooperation, integration).</p>	
Impact	Sustainable access to energy resources (National Development Strategy of the Republic of Tajikistan for the period up to 2030)	
Outcome	Power sector financial sustainability improved	
Outputs	<p>Financial stability of power utilities improved Power sector governance structure strengthened Sustainable corporate management introduced in the new distribution company Retail billing and collection system modernized Female participation in energy sector activities increased</p>	
Geographical Location	Nation-wide	
Safeguard Categories		
Environment		B
Involuntary Resettlement		C
Indigenous Peoples		C
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	Inoue, Yuki	
Responsible ADB Department	Central and West Asia Department	

Responsible ADB Division	Energy Division, CWRD
Executing Agencies	Ministry of Energy and Water Resources Shamsi Street 5/1 Dushanbe, Tajikistan Ministry of Finance 3, Academic Rajabovs Dushanbe Tajikistan Open Stock Holding Company "Barqi Tojik" 64 Ismolili Somini Avenue, Dushanbe Tajikistan, Postal Code 734026

Timetable	
Concept Clearance	06 Jun 2021
Fact Finding	18 Jul 2019 to 18 Jul 2019
MRM	30 Aug 2019
Approval	-
Last Review Mission	-
Last PDS Update	28 Apr 2020

Project Page	https://www.adb.org/projects/53315-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=53315-001
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