



Uzbekistan: Republic of Uzbekistan: Business Plan Development for the Infrastructure Finance Intermediary Vehicle

Project Name	Republic of Uzbekistan: Business Plan Development for the Infrastructure Finance Intermediary Vehicle		
Project Number	54440-001		
Country	Uzbekistan		
Project Status	Active		
Project Type / Modality of Assistance	Technical Assistance		
Source of Funding / Amount	TA 6698-UZB: Republic of Uzbekistan: Business Plan Development for the Infrastructure Finance Intermediary Vehicle		
	Technical Assistance Special Fund		US\$ 225,000.00
Strategic Agendas	Inclusive economic growth		
Drivers of Change	Governance and capacity development Partnerships Private sector development		
Sector / Subsector	Finance - Infrastructure finance and investment funds		
Gender Equity and Mainstreaming	No gender elements		
Description	The TA will be used to support the Government of Uzbekistan in its efforts to address increasing infrastructure financing gaps through development of a business plan for the establishment of an infrastructure finance intermediary vehicle (IFIV) to attract additional investments in the Uzbekistan infrastructure sector from both internal and external sources.		
Project Rationale and Linkage to Country/Regional Strategy	<p>1. Uzbekistan is facing increasing pressure to finance new infrastructure projects and to modernize and replace outdated and inefficient infrastructure assets across the country that are needed to support economic growth and to improve human well-being. In its effort to urgently address this problem, the government sought ADB assistance to conduct a high-level feasibility study for establishing an IFIV in Uzbekistan. The results of this feasibility study, including proposed recommendations on the IFIV's focus sectors, potential clients, ownership, institutional structure, governance framework, management team and other aspects were presented at a virtual roundtable attended by key stakeholders, including government agencies, international financial institutions and domestic banks, and outlined in the final feasibility study report issued on 15 November 2020.</p> <p>2. The government agreed with the recommendations outlined in the feasibility study report and decided to move ahead with the process of establishing the proposed IFIV by preparing a comprehensive five-year business plan for the IFIV. ADB welcomed this decision and agreed to offer its support by providing the TA for this undertaking. The small-scale was chosen for the TA given that it will be sufficient for the proposed scope of work. Additional support might be required contingent on a successful completion of the TA and obtaining confirmation from the government to start the operationalization of the IFIV.</p> <p>3. The objective of the TA is to prepare a realistic, comprehensive and actionable detailed business plan for the establishment and operationalization of the IFIV with the main goal of attracting additional investments in Uzbekistan's infrastructure sector from both internal and external sources. It is envisaged that upon completion of the business plan, the government and all relevant stakeholders, including ADB, the World Bank and other international financial institutions, will be ready to:</p> <p>(i) take necessary decisions and approvals required for the establishment of the IFIV in Uzbekistan;</p> <p>(ii) initiate the next steps required for the establishment of the IFIV, including development of the operationalization plan and commencement of dialogue with all necessary regulatory authorities for approvals and registrations required for incorporation of the IFIV;</p> <p>(iii) invite potential equity partners to the IFIV; and</p> <p>(iv) enable commencement of substantive dialogue with all of the potential IFIV's financiers.</p> <p>4. The economic downturn caused by the coronavirus disease 2019 (COVID-19) pandemic and the additional fiscal costs attached to mitigating its impact have made it even more difficult for the government to allocate resources to infrastructure projects. The need for the TA was accelerated as prompt establishment of the IFIV becomes even more relevant in post-COVID-19 environment. The IFIV will assist the government in the preparation and financing of bankable and revenue-yielding infrastructure projects that will help revive economic growth in Uzbekistan. The TA will also help provide capacity building support given close work during business plan development with all key government agencies involved in this initiative, including but not limited to the: Public-Private Partnership Development Agency, the Ministry of Finance, and the Ministry of Investments and Foreign Trade.</p>		
Impact	Availability of long-term financing products and modalities for infrastructure projects in Uzbekistan improved.		
Project Outcome			
Description of Outcome	IFIV operationalization process initiated.		
Progress Toward Outcome			
Implementation Progress			
Description of Project Outputs	IFIV Business plan prepared		
Status of Implementation Progress (Outputs, Activities, and Issues)			
Geographical Location	Nation-wide		
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	Kabrelyan, Dmitry
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Office of the Director General, CWRD
Executing Agencies	Ministry of Finance 5 Mustaqillik Square Tashkent 100008 Republic of Uzbekistan

Timetable

Concept Clearance	-
Fact Finding	06 Nov 2020 to 06 Nov 2020
MRM	-
Approval	22 Dec 2020
Last Review Mission	-
Last PDS Update	22 Dec 2020

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Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
225,000.00	0.00	0.00	0.00	0.00	0.00	225,000.00	-	0.00

Project Page	https://www.adb.org/projects/54440-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=54440-001
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