

Uzbekistan: Enhancing Private Sector Participation in Agriculture

Project Name	Enhancing Private Sector Participation in Agricu	ture				
Project Number	55241-001					
Country	Uzbekistan					
Project Status	Approved					
Project Type / Modality of Assistance	Technical Assistance					
Source of Funding / Amount	TA 6839-UZB: Enhancing Private Sector Partici	pation in Agriculture				
	Technical Assistance Special Fund	US\$ 500,000.00				
Strategic Agendas	Inclusive economic growth					
Drivers of Change	Governance and capacity development Knowledge solutions Private sector development					
Sector / Subsector	Agriculture, natural resources and rural develop	ment - Agricultural policy, institutional and capacity development				
Gender Equity and Mainstreaming	No gender elements					
Description	The proposed knowledge and support technical assistance (TA) will be focused on the problems identification and designing relevant support measures to increase private sector participation (PSP) in Uzbekistan agricultural sector, including supporting infrastructure (i.e. irrigation). The TA will support (i) preparation of a sector diagnostic study to evaluate the potential for PSP in the agricultural sector with specific focus on supporting infrastructure, including irrigation, (ii) capacity building interventions for selected government agencies, including development of an awareness toolkit for identification, appraisal, implementation, and management of PSP and public-private partnership (PPP) projects, preparation of the concept notes for 2-3 potential PSP and/or PPP projects, and other possible government support measures needed to boost PSP in the country's agricultural sector. Supporting private sector development is also a key priority area of ADB's country partnership strategy for Uzbekistan, 2019-2023. The TA is included in the Country Operation Business Plan, 2021-2023					
Project Rationale and Linkage to Country/Regional Strategy	The importance of agricultural sector production to Uzbekistan's food security, livelihoods and economic growth cannot be overstated. In 2020, agriculture generated 28% of the country's GDP, provided employment to 27% of the labor force, and constituted 25% of the country's merchandized export. Out of 20.4 million hectares of agricultural land, 20.7% is irrigated. About 85% of the irrigated land is cultivated by around 75,000 large farms, while the remaining 15% of land is cultivated by around 4.9 million small farms and household plots. However, it is considered that gross output of the agricultural sector is below its full potential due to: (i) inadequate irrigation, market, logistic, and road (farm to market) infrastructure; (ii) inefficient and fragmented value chain; and (iii) lack of support to farmers. The agricultural value chain is characterized by weak linkages between value chain actors, as well as limited and technologically poor storage and processing capacity. Public investment in agricultural research and development, extension services, and agribusiness development, has been negligible, and private sector efforts limited. Farmers has limited access to advanced agricultural technologies, productive seeds, effective fertilizers and pesticides, appropriate financial resources and insurance products. High levels of investments are required to address these sector issues to unleash the full potential of agriculture for sustainable advelopment in Uzbekistan, but low public budgetary allocations to the sector are slowing the growth. PSP initiatives are expected to contribute to sustainable agricultural development. However, there are many unanswered questions about the types of project that may suitably be governed by PSP and about the partnerships' effectiveness in delivering on these objectives. The comprehensive diagnostic study is needed to improve understanding of the potential benefits and challenges of PSP in agricultural sector.					
Impact	Private sector development in the agriculture se	ector supported.				
Project Outcome						
Description of Outcome		Enabling environment for PSP and PPP in the agriculture sector strengthened.				
Progress Toward Outcome						
Implementation Progress						
Description of Project Outputs		Conditions for enabling PSP and PPP in the agriculture sector identified. Public sector specialists' knowledge in PSP and PPP enhanced. Potential PSP and PPP projects identified.				
Status of Implementation Progress	(Outputs, Activities, and Issues)					
Geographical Location		Nation-wide				
Summary of Environmental and So	ocial Aspects					
Environmental Aspects						
Involuntary Resettlement						
Indigenous Peoples						
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Stakeholder Communication, Parti	cipation, and Consultation					

During Project Implementation

Responsible ADB Officer	Nasirov, Tal'at Ubaydullaevich
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Uzbekistan Resident Mission
Executing Agencies	Ministry of Agriculture of the Republic of Uzbekistan 2, Universitet Street Tashkent region, Republic of Uzbekistan

Timetable	
Concept Clearance	01 Sep 2021
Fact Finding	20 Sep 2021 to 24 Sep 2021
MRM	
Approval	26 Nov 2021
Last Review Mission	
Last PDS Update	26 Nov 2021

TA 6839-UZB

Financing Plan/TA Utilization						Cumulative	Disbursements		
ADB	Cofinancing	Counterpar	ounterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor		Others			
500,000.00	0.00	0.00	0.00	0	0.00	0.00	500,000.00	-	0.00

Project Page	https://www.adb.org/projects/55241-001/main	
Request for Information	http://www.adb.org/forms/request-information-form?subject=55241-001	
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