



Kazakhstan: Kazakhstan Urban Infrastructure Modernization Program and Finance Facility

Project Name	Kazakhstan Urban Infrastructure Modernization Program and Finance Facility		
Project Number	51365-002		
Country	Kazakhstan		
Project Status	Active		
Project Type / Modality of Assistance	Technical Assistance		
Source of Funding / Amount	TA 9462-KAZ: Kazakhstan Urban Infrastructure Modernization Program and Finance Facility		
	Technical Assistance Special Fund		US\$ 1.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development		
Sector / Subsector	Finance - Infrastructure finance and investment funds - Money and capital markets Water and other urban infrastructure and services - Urban policy, institutional and capacity development - Urban sanitation - Urban water supply		
Gender Equity and Mainstreaming	Effective gender mainstreaming		
Description	<p>The proposed Kazakhstan Urban Infrastructure Modernization Program and Finance Facility (the Project) is a medium to long-term roadmap to ensure sustainable development and financing of urban infrastructure operationalized through a national level facility Kazakhstan Urban Infrastructure Financing Facility (KUIFF). The proposed Project is a pioneering sustainable urban infrastructure development and financing initiative for Kazakhstan seamlessly integrating the development of a pipeline of financially bankable projects with its downstream financing. It will (i) serve as an enabler' by providing a slice of concessional revolving finance for the riskiest period (pre-construction) to make projects bankable and revolve' the initial concessional finance into other projects; (ii) use a blended finance leveraging approach to gradually transition projects to bankability without creating a major burden on the end user through sudden shock increases in tariffs and reduce the annual government subsidies needed for operating expenditure or revenue support (opex); (iii) catalyze long term private finance, from many sources including commercial banks, international institutional investors and capital markets ; (iv) improve the creditworthiness of projects/utilities by improving their operational efficiency and financial management; and (v) steadily build a track record of successful projects which are attractive to the private sector.</p>		
Project Rationale and Linkage to Country/Regional Strategy	<p>The TRTA will help the government to design the project including (i) conducting the technical, financial, economic, and institutional due diligence for the Kazakhstan Urban Infrastructure Financing Facility (KUIFF); (ii) identifying a pipeline of pilot investment projects and undertaking preliminary technical, financial, economic, social, and environmental viability of these pilot projects; (iii) identifying and designing the associated policy, institutional and legal reforms; and (iv) implementing the KUIFF. TRTA consultants will prepare the project to ensure that the ensuing loan complies with ADB and government requirements.</p>		
Impact			
Project Outcome			
Description of Outcome			
Progress Toward Outcome			
Implementation Progress			
Description of Project Outputs			
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	The main stakeholders of the proposed program will be the Ministries and agencies at national, provincial, and city level, the related provincial, local governments, and financial institutions. Project design includes stakeholder consultations with these groups to establish social eligibility criteria for subproject selection. Several field visits and consultations have been undertaken. The project will include criteria for stakeholder consultations and other local people, including women and any other collaborating agencies during subproject preparation. Opportunities for involving civil society organizations will be sought during subproject preparation and implementation.
During Project Implementation	Consultations will be periodically conducted with stakeholders during implementation. The project will work closely with the Association of vodokanals which represent community and utility interests. Opportunities for involving civil society organizations will be sought during implementation. The views of poor and vulnerable will be included during subproject preparation and implementation. Criteria for stakeholder engagement will be included into the ESMS. The program will involve infrastructure investments across urban, transport, and other sectors that will trigger land acquisition and resettlement resulting physical and/or economic resettlement. A Grievance Redress Mechanism will be established to ensure feedback and response.

Business Opportunities

Consulting Services	ADB will engage the consultants to implement the TRTA. It is estimated that 44 person-months of international consultants' services and 34 person-months of national consultants' services will be engaged. The multi-disciplinary team of consultants' will have expertise in structured finance, project finance, financial management, urban infrastructure development, economics, law, and social, gender and environmental safeguards for infrastructure projects. Technical and language translators will also be hired. ADB will engage the consultants following the ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions.
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Responsible ADB Officer	Naik Singru, Ramola
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Urban Development and Water Division, CWRD
Executing Agencies	<i>Asian Development Bank 6 ADB Avenue, Mandaluyong City 1550, Philippines</i>

Timetable

Concept Clearance	-
Fact Finding	-
MRM	-
Approval	12 Dec 2017
Last Review Mission	-
Last PDS Update	28 Sep 2018

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Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
12 Dec 2017	26 Dec 2017	26 Dec 2017	31 Mar 2019	-	-

Financing Plan/TA Utilization	Cumulative Disbursements
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ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
1,000,000.00	0.00	0.00	0.00	0.00	0.00	1,000,000.00	12 Dec 2017	149,935.44

Project Page <https://www.adb.org/projects/51365-002/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=51365-002>

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