# Kazakhstan: Kazakhstan Urban Infrastructure Modernization Program and Finance Facility

Project Number         \$1365-002           Country         Kazakhstan           Project Status         Active           Project Type/ Modality O         Technical Assistance           Source of Funding/ <b>A 5462-KAZ: Kazakhstan Urban Infrastructure Modernization Program and Finance</b> <b>Facility</b> Source of Funding/ <b>T 9462-KAZ: Kazakhstan Urban Infrastructure Modernization Program and Finance</b> <b>Facility</b> Strategic Agendas         Environmentality sustainable growth           Drivers of Change         Governance and capacity development franceshigs           Sector / Subsector         Finance- Infrastructure finance and investment funds - Money and capital markets Water and other urban infrastructure Modernization Program and Finance Facility (the Project Water and other urban infrastructure Modernization Program and Finance Facility (the Project) is a mediument - Urban santation - Urban water supply           Sector / Subsector         Effective gender mainstreaming           Subscription         The proposed Kazakhstan Urban Infrastructure Modernization Program and Finance Facility (the Project) is a mediument - Urban infrastructure finance function of urban infrastructure finanche grouposthe development and infrastructure finanche function o	Project Name	Kazakhstan Urban Infrastructure Modernization Program and Finance Facility
Project Status       Active         Project Status       Technical Assistance         Sestance       Ta 6462-KA2: Kazakhstan Urban Infrastructure Modernization Program and Finance         Source of Funding /       Ta 6462-KA2: Kazakhstan Urban Infrastructure Modernization Program and Finance         Strategic Agendas       Environmentally sustainable growth inclusive economic growth       Uts 1.00 million         Drivers of Change       Governance and capacity development Kowledge solutions Partnersnips       Mowledge solutions         Sector / Subsector       Finance - Infrastructure finance and investment funds - Money and capital markets Water and other urban infrastructure Modernization Program and Finance Facility (the Project) his a medium to long-term roadmap to ensure sustainable development and finance Facility (the Project) is a medium to long-term roadmap to ensure sustainable development and finance Facility (the Project) is a medium to long-term roadmap to ensure sustainable development and finance Facility (the Project) is a medium to long-term roadmap to ensure sustainable development and finance Facility (the Project) is a medium to kng-term roadmap to ensure sustainable development and finance Facility (the Project) is a medium to kng-term roadmap to ensure sustainable development and finance Facility (the Project) is a medium to kng-term roadmap to ensure sustainable development and finance Facility (the Project) is a medium to kng-term roadmap to ensure sustainable development and finance Facility (the Project) is a medium to kng-term roadmap to ensure sustainable development and finance Facility (the Project) is a medium to kng-term roadmap to ensure to taking the convert facing facing (the converting facility (the Project) is a	Project Number	51365-002
Project Type / Modality of Assistance       Technical Assistance         Source of Funding / Mnount       Ta 9462-KA2: 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       Fibance - Infrastructure finance and investment funds - Money and capital markets Water and other urban Infrastructure and services - Urban policy, Institutional and capacity development - Urban solution - Urban water supply         Gender Equity and Mainstreaming       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 fraincing initiative for Kazakhstan semilessly integrating the development and financing of urban infrastructure operationalized through a national level facility Kazakhstan Urban Infrastructure Financing fraincing initiative for Kazakhstan semilessly integrating the development and financing of urban infrastructure operationalized through a national level facility Kazakhstan Urban Infrastructure Financing fraincing initiative for Kazakhstan semilessly integrating the development and financing of urban infrastructure operationalized through a national level facility Kazakhstan Urban Infrastructure Financing fraincing (UFK) (KINF): In terproposed Projects). (ii) Catalyze long term private sector.	Country	Kazakhstan
Assistance         Source of Funding / Amount       Tag462-KAZ: Kazakhstan Urban Infrastructure Modernization Program and Finance Amount         Technical Assistance Special Fund       US\$ 1.00 million         Strategic Agendas       Environmentally sustainable growth Inclusive economic growth       US\$ 1.00 million         Strategic Agendas       Environmentally sustainable growth Inclusive economic growth       US\$ 1.00 million         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       The proposed Kazakhstan Urban Infrastructure Modernization Program and Finance Facility (the Princerth infrastructure operationalized through a national level facility Kazakhstan Urban Infrastructure financing infrastructure operationalized through a national level facility Kazakhstan Urban Infrastructure forearding infrastructure operationalized through a national level facility Kazakhstan Urban Infrastructure financing infrastructure operationalized through a national level facility Kazakhstan Urban Infrastructure financing private sector.         Description       The proposed Kazakhstan seamlessiy integrating the development and financing of urban infrastructure operationalized through a national level facility Kazakhstan Urban Infrastructure financing private sector.         Description       The proposed Mrojecit is a pioneering is subianble Urban Infrastructure fina	Project Status	Active
Amount       Pacifity       Uses 1.00 million         Strategic Agendas       Environmentally sustainable growth       US\$ 1.00 million         Strategic Agendas       Environmentally sustainable growth       Inclusive economic growth         Drivers of Change       Governance and capacity development       Knowledge solutions         Private sector development       Virban policy, institutional and capacity 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 water supply       Gender Equity and         Gender Equity and       Effective gender mainstreaming         Description       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 porationalized through a national level facility Kazakhstan Urban Infrastructure Financing or urban infrastructure financing urban binfrastructure financing or urban infrastructure financing urban bing offect is a pinoering sustainable urban infrastructure financing or urban infrastructure financing urban bing offect is a pinoering sustainable development and financing or urban infrastructure financing urban bing offect is a pinoering sustainable urban infrastructure financing or urban infrastructure financing urban bing offect is a pinoering sustainable and apatit and apatit and werban projects is urban and project is a pinoering sustainable and capital markets i (V) improve the creditiver		Technical Assistance
Strategic Agendas       Environmentally sustainable growth Inclusive economic growth         Drivers of Change       Governance and capacity development Knowledge solutions Partnerships         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       The proposed Kazakhstan Urban Infrastructure Modernization Program and Finance Facility (the Project) is a nedium to long-term roadmap to ensure sustainable development and financing of urban infrastructure operationalized through a national level facility. Kazakhstan Urban Infrastructure Financing Facility (KIII/F). The proposed Project is a pioneering sustainable development and financing initiative for Kazakhstan seamiessly integring the development of a pipeline of financially bankable projects with its downstream financing. It will (i) use a blendef finance leveraging apprach to gradually transition projects to bankability without creating and anisole and rooresiscianal revolving finance for the riskiest period (pre-construction) tamke projects bankabie and rovolve the initial concessional finance into theor projects. (ii) use a blendef finance leveraging apprach to gradually transition projects to bankability without creating a major burden on the edu user sources including commercial banks, intermational institutional and glovernment subsidies needed for operating expenditure or revenue support (pex): (iii) catalyze long term private financial, financial, conomic, social, and environmental viability of these pilot projects with ich are attractive to the private sector.      <		
Inclusive economic growth       Inclusive economic growth         Drivers of Change       Governance and capacity development Knowledge solutions Partnerships Partnerships         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 snitatiation - Urban water supply         Gender Equity and Mainstreaming       Effective gender mainstreaming 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 (KIIP). The proposed Project is a pioneering sustainable development and financing initiative for Kazakhstan seamlessly integrating the development of a pipeline of financially bankable projects with 1s dowistream financing. It will (0) sea a bender finance leveragin approach to gradually transition projects to bankability without creating a major burden on the edu user voice's the initial concessional instructional instructional investors and capital markets (; frough sudde sonck increases in tariffs and reduce the annual government subsidies needed project Rationale and provice's the creditworthiness of projects (uil) catalyze long term private finance). (from rany sources including commercial banks, intermational instructional instructure finance leveraging approach to gradually transition projects to bankability without creating preliminary technical, financial, conomic, social, and environmental viability of these piotet projects with a development rivate sector.         Project Rationale and Linkage to conomic, and institutional due d		Technical Assistance Special Fund US\$ 1.00 million
Knowledge solutions       Partnerships         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       Effective gender mainstreaming         Description       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 elevelopment and finance into 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 ther projects; (ii) use a blended finance (hord mance by providing 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 pivate 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 finance.         Project Rationale and Linkage to Country/Regional Strategy       The TRTA will help the government to design the project including (i) conducting th	Strategic Agendas	
Gender Equity and       Effective gender mainstreaming         Description       Effective gender mainstreaming         Description       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 development and financing initiative for Kazakhstan sumelssly integrating the development of a pipeline of financialisy bankable projects with its downstream financing. It will (f) serve as an enabler by providing a slice of concessional revolving finance into ther projects (iii) use a blended finance leveraging approach to gradually transition projects to bankability without creating a major burder 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 in fulling commercial banks, international institutional investors and capital markets : (iv) improve the creditworthiness of projects/utilities by improving their operational efficiency and institutional due diligence for the Kazakhstan Urban Infrastructure financinal, francial, construction and institutional and evelopment is a used institutional investors (iii) identifying an didesigning the associated policy. Institutional and elag reforms; and (v) steadily build a track record of successful projects (iii) identifying and designing the associated policy. Institutional and elag reforms; and (v) implementing the KuIFF. TRTA will help the government to design the project including commerant, social, and environmental viability of these pilot projects. (iii) identifying and designing the associated policy. Institutional and legal reforms; and (v) implementing the KuIFF. TR	Drivers of Change	Knowledge solutions Partnerships
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Linkage to economic, and institutional due diligence for the Kazakhstan Urban Infrastructure Financing Facility   Country/Regional Strategy 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.   Project Outcome   Progress Toward Outcome   Implementation Progress   Description of Project Outputs	Description	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
Project Outcome         Description of Outcome         Progress Toward Outcome         Implementation Progress         Description of Project Outputs	Linkage to	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
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Progress Toward Outcome Implementation Progress Description of Project Outputs	Project Outcome	
Implementation Progress Description of Project Outputs	Description of Outcome	
Description of Project Outputs	Progress Toward Outcome	
	Implementation Progres	S
Status of Implementation Progress (Outputs, Activities, and Issues)	Description of Project Output	uts
	Status of Implementation P	rogress (Outputs, Activities, and Issues)

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#### 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 Op	Business Opportunities				
Consulting Services	consultants' services and 34 person-mo team of consultants' will have expertise infrastructure development, economics, projects. Technical and language transla	ement the TRTA. It is estimated that 44 person-months of international oths of national consultants' services will be engaged. The multi-disciplinary in structured finance, project finance, financial management, urban law, and social, gender and environmental safeguards for infrastructure stors will also be hired. ADB will engage the consultants following the ADB from time to time) and its associated project administration instructions			
Responsible A	ADB Officer Na	ik Singru, Ramola			

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	Asian Development Bank 6 ADB Avenue, Mandaluyong City 1550, Philippines
Timetable	
Concept Clearance	
Fact Finding	
MRM	
Approval	12 Dec 2017
Last Review Mission	-

## Last PDS Update

### TA 9462-KAZ

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

**Cumulative Disbursements** 

28 Sep 2018

ADB	Cofinancing	Count	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		
Date Generated	09 November 2018		

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