

TERMS OF REFERENCE FOR CONSULTANTS

A. Output 1 – The Investment Feasibility Study Prepared

1. The investment feasibility study (IFS) will be undertaken by the following individual consultants: (i) Agricultural Economist/Team Leader (international); (ii) Livestock Specialists (international and national); (iii) Bank Financial Analysis and Financial Management Specialist (national); (iv) Environmental and Social Management Specialist (international); and (v) Social and Gender Specialist (national). 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. The terms of reference for individual consultants are detailed hereunder.

2. **Agricultural Economist/Team Leader.** (international: 7 person-months). The specialist will have at least a Master's Degree in agricultural economics or related discipline, with 15 years of work experience in the preparation of investment projects financed by ADB and the World Bank in the agriculture sector, including the livestock subsector. The specialist will have experience of leading a team of multidisciplinary consultants and will have up-to-date knowledge of agriculture sector transformation and reforms in Uzbekistan.

3. As Team Leader, the specialist will (i) provide overall supervision and coordination of activities to be carried out by individual consultants to ensure the overall scope of work is fully accomplished; (ii) guide and oversee technical studies, field surveys, and project-related due diligence to ensure the analysis, data, and information are relevant to the project investment feasibility study; (iii) prepare an investment feasibility study report in the form of a draft ADB Report and Recommendation of the President (RRP) to the Board of Directors to present a proposed project design with due diligence from technical, financial, economic, social (safeguards, gender, labor), and environmental perspectives; (iv) refine the RRP to address comments received from ADB and government; (v) assist ADB during project processing to ensure the RRP and its linked and supplementary documents reflect ADB's and the government's required form and substance; and (vi) address the comments during the government's review and approval of the project documents.

4. As agricultural economist, the specialist will (i) guide and support the Livestock Production/Processing Specialist, Bank Financial Analysis and Financial Management Specialist, and Environmental Specialist to undertake sector analyses and due diligence, (ii) collaborate with the Bank Financial Analysis and Financial Management Specialist to develop eligibility criteria for project participating financial institutions (PFIs) and subloans to be financed under the project; (iii) collaborate with the Livestock Production/Processing Specialist, and Bank Financial Analysis and Financial Management Specialist to develop eligibility criteria for subborrowers and subprojects to be financed under the project; (iv) work with the Livestock Production/Processing Specialist and the Bank Financial Analysis and Financial Management Specialist to identify indicative subprojects that may be financed under the project; (v) guide and provide inputs to the Environmental Specialist in preparing environment and social management systems (ESMS) arrangements for the project and for each PFI; (vi) undertake financial and economic analysis of identified subprojects in accordance with ADB's Guidelines for the Economic Analysis of Projects (2017); (vii) collaborate with the Bank Financial Analysis and Financial Management Specialist to prepare project implementation arrangements; and (viii) prepare the project cost estimates, financing plan, and procurement plan.

5. **Livestock Specialists** (international: 2 person-months; national: 6 person-months). The international specialist will have at least a Master's Degree in livestock husbandry, or agricultural

economics/agronomy with livestock specialization, or related discipline with emphasis on livestock production and marketing systems. S/he will have at least 15 years of work experience in projects in the livestock subsector financed by international development organizations, and in general ADB-financed projects in the agriculture sector. The national specialist will have at least a Bachelor's Degree in agricultural economics or agronomy with livestock specialization, or related discipline with emphasis on livestock production and marketing systems. S/he will have at least 10 years of work experience in projects in the livestock subsector financed by international development organizations, and in general ADB-financed projects in the agriculture sector. Both specialists will have up-to-date knowledge of agriculture sector transformation and reforms in Uzbekistan.

6. The specialists will (i) undertake a detailed livestock sector analysis identifying and/or preparing, amongst others, (a) types, volumes, productivity, and price structure of livestock production and livestock product processing, (b) geographic distribution of production and processing facilities, (c) a livestock value chain map and/or analysis, and (d) profiles of livestock producers and/or owners and processing enterprises; (ii) undertake an analysis of demand for Uzbek livestock products in domestic and export markets; (iii) in collaboration with the Bank Financial Analysis and Financial Management Specialist identify financial sector constraints to livestock sector development and assess the demand for investment credit in the sector; (iv) undertake an assessment of the provision of state and private sector provision of veterinary services and, based on the assessment, collaborate with the Ministry of Agriculture and the State Veterinary Committee to develop/review/revise government strategy for the privatization and commercialization of veterinary services, (v) in collaboration with the Agricultural Economist and the Bank Financial Analysis and Financial Management Specialist identify indicative subprojects that may be financed under the project; (vi) support the Agricultural Economist in the financial and economic analysis of indicative subprojects; (vii) assess the impact of the proposed project on the structure and profitability of the livestock sector; and (viii) support the Team Leader in addressing technical issues raised during the review of the project design and RRP by ADB and the government.

7. **Bank Financial Analysis and Financial Management Specialist.** (national: 7 person-months). The specialist will have at least a Bachelor's Degree in finance, accounting, economics, or related discipline with emphasis on banking sector issues and financial management. professional qualification such as CPA or CFA is required. S/he will have at least 10 years of relevant work experience in projects financed by international development organizations, including ADB. S/he will have up-to-date knowledge of finance sector issues in Uzbekistan and familiarity with international standards on accounting, auditing, and financial reporting of financial institutions. S/he will have undertaken financial management assessment and integrity due diligence of project executing agencies and financial institutions in Uzbekistan.

8. The specialist will (i) in collaboration with the Livestock Specialists identify financial sector constraints to livestock sector development and assess the demand for investment credit in the livestock sector; (ii) develop eligibility criteria for project PFIs and subloans to be financed under the project; (iii) collaborate with the Agricultural Economist and Livestock Specialists to develop eligibility criteria for subborrowers and subprojects to be financed under the project; (iv) identify potential PFIs and conduct due diligence on identified PFIs, including (a) governance and financial management assessment, (b) financial analysis of the preceding three years of performance and projections for 10 years subsequent to commencement of participation in the project, including presentation of financial statements and financial ratios (in accordance with International Financial Reporting Standards), (c) assessment of compliance with prevailing prudential regulations and standards, and (d) integrity due diligence; (vi) support the Environmental Specialist to design and

implement an environmental and social management system (ESMS) in selected project PFIs or upgrade the ESMS already established in selected PFIs to reflect environmental issues relating to the livestock sector; (vii) carry out financial management assessment on the project executing agency; (viii) collaborate with the Agricultural Economist to prepare project implementation arrangements; (ix) prepare project funds flow and financial management arrangements; and (x) support the Team Leader in addressing technical issues raised during the review of the project design and RRP by ADB and the government.

9. **Environmental and Social Management System Specialist.** (international: 5 person-months). The environmental and social Management system (ESMS) specialist will have at least a Bachelor's Degree in environmental management, environmental engineering, agro-chemistry or related discipline. S/he will have up-to-date knowledge of international and national environmental regulations and environmental issues in Uzbekistan. S/he will have experience in environmental safeguards in the agriculture sector and livestock subsector, establishment of ESMS at financial institutions in previous ADB-financed projects in Uzbekistan, and climate change mitigation and adaptation.

10. The specialist will (i) conduct overall environmental risk assessments related to potential subprojects to be financed under the project for reference by PFIs during subloan appraisal and monitoring; (ii) prepare a draft ESMS arrangements for the project to comply with ADB's Safeguard Policy Statement 2009 requirements; (iii) with the support of the Bank Financial Analysis and Financial Management Specialist, prepare and/or upgrade the ESMS (if already in existence) in selected PFIs to ensure ESMS policy documents and guidelines are in place as a condition for disbursement from the loan proceeds; and (iv) support the Team Leader in addressing technical issues raised during the review of the project design and RRP by ADB and the government.

11. **Social and Gender Specialist** (national: 5 person-months). The specialist should have at least a Bachelor's Degree in social sciences, sociology, anthropology, or other relevant disciplines, with experience in social and gender development. Familiarity with ADB policies on gender and core labor standards is required. Work experience in the agriculture and natural resource sector in Uzbekistan is preferred. The specialist will be responsible for (i) assessing socio-economic constraints faced by livestock producers and/or owners, particularly women; (ii) collecting relevant data to prepare a brief profile of male and female labor working in the agriculture sector in general and livestock subsector in particular; (iii) analyzing potential (positive and negative) impacts of livestock production and/or processing on labor and rural livelihoods; (iv) preparing a gender action plan for the proposed project in order to maximize impacts on women; (v) analyzing the implementation of core labor standards in the sector and providing analysis of the impact of the project; (vi) reviewing the social safeguards management of PFIs, and contributing inputs to the social sections of the project ESMS, and ESMS of each PFI; and (vii) support the Team Leader in addressing technical issues raised during the review of the project design and RRP by ADB and the government.

B. Output 2 – Loan Processing and Implementation Startup Assisted

12. **Project Design and Startup Specialists** (international: 8 person-months; national: 20 person-months). Additional consultants and/or additional inputs by consultants mentioned under Output 1 may be required for the design and startup activities to continue and undertake the following tasks: (i) address critical technical gaps including livestock sector and market assessment, financial, business and market risk due diligence, and financial and economic evaluation, among others during the loan processing stage; (ii) assist with the revisions and

comments by the government agencies on the investment feasibility report as a technical back-up; and (iii) provide implementation startup support. These activities are to ensure that (i) proper ADB's Board documents are prepared and technical revisions made during the loan processing; (ii) the investment feasibility report is harmonized and technically consistent the government requirements; and (iii) loan disbursement is expedited. The actual inputs for these consultants and possible additional experts to carry out the above mentioned tasks will be determined by the loan fact-finding mission to ensure practical and cost-effective use of resources.