

DEVELOPMENT COORDINATION

A. Major Development Partners: Strategic Foci and Key Activities

1. The major development partners active in water and other municipal infrastructure and services sector are the Asian Development Bank (ADB), the World Bank (WB), European Bank for Reconstruction and Development (EBRD), United Nations Development Programme, Swiss Development Cooperation, Japan International Cooperation Agency (JICA), and Global Environment Facility, German development cooperation through KfW, and the Governments of the People's Republic of China, France, Germany, Japan, the Government of Republic of Korea, Spain, Switzerland, and the United States. Sector assistance is well coordinated among the development partners to ensure consistency in institutional approaches, policy reforms, and value added. However, the development partners' participation directly in solid waste management (SWM) is limited. The proposed project will be the first project that ADB finances in SWM system of Uzbekistan.

Major Development Partners

Development Partner	Project Name	Duration	Amount (\$ million)
World Bank/EBRD/JICA	Tashkent SWM Project	1998-2006	43.2
UNDP	Five-Year National Strategic Plan for SWM	2007	
Government of Republic of Korea (Ministry of Environment)	Technical Assistance Program for development of SWM system support for three cities	2010	

EBRD = European Bank for Reconstruction and Development, JICA = Japan International Cooperation Agency, UNDP = United Nations Development Programme.

Sources: Consultant Report under RETA-7635, development partner websites.

B. Institutional Arrangements and Processes for Development Coordination

2. The SWM institutional and regulatory framework in Uzbekistan is defined in the Law on Waste – a key legislation guiding and regulating sector development – and approximately 50 individual legal documents covering various aspects of SWM provision and its regulation. The Cabinet of Ministers is ultimately responsible for the approval of the State's SWM programs, including SWM sector norms and standards.¹ Four national agencies are responsible for sector planning, development, coordination and regulation: (i) the State Committee for Nature Protection, which oversees regulatory compliance; (ii) the Ministry of Health, which ensures compliance with health standards; (iii) Agency "Uzkommunkhizmat" (UCSA), the Government's national water and sanitation infrastructure development agency; and (iv) *Sanoatkontekhnazorat*, which controls and supervises mining and processing waste management. In addition, the Ministry of Finance coordinates and manages sector investment programs, financing, and tariffs; and the Ministry of Economy develops utility programs, and promotes clean development mechanism initiatives. Uzbekistan's provincial authorities are mandated to implement SWM programs, resolve facility-siting issues, promote municipal solid waste (MSW) collection and recycling enterprises, and encourage business development in SWM.

¹ The Cabinet of Ministers also establishes procedures for SWM registration and control, waste certification, land allocation of facilities, trans-boundary waste movements, and for setting compensation levels.

3. The proposed project will have two executing agencies (EAs), the Municipality of Tashkent city and the State Committee for Nature Protection. Overall coordination will be provided by the *Inter-ministerial Council for cooperation with international financial institutions, and organizations and donor countries on implementation of large and strategically important investment projects* led by the First Deputy Prime Minister and supported by a technical experts group.

C. Achievements and Issues

4. Initial evaluation infers that Uzbekistan may eventually require a capital investment exceeding US\$ 1.5 billion to fully address national municipal SWM priorities over the long term. Much can be done however with a phased investment program implemented over the next decade, starting with priority cities/regions; prioritized on the basis of their populations, population densities, economic importance, and importantly, the relative severity of environmental degradation and public health impacts resulting from current SWM practices.

5. Public-private partnerships (PPP) in SWM, sector reforms of the late 1990s apparently yielded many 'enterprise-related PPPs', however some resulted in unsatisfactory performance, leading to eventual termination. Enterprises at that time were apparently unable to deliver on expectations, largely due to outdated systems and weak regulatory enforcement. The government does have a renewed interest to develop PPP modalities, and this is being encouraged with a program in 2011 named the 'year of the small entrepreneur'. This initiative includes the removal of inhibitors to PPP, and the streamlining of existing systems in order to provide a one-day processing time to establish a small business. Also, in the SWM sector, the joint venture initiative between government and a Japanese private sector group to develop the landfill gas extraction and flaring project at the Harungaran disposal facility further indicates the future potential, under certain circumstances, for private sector partnerships in the SWM sector.

D. Summary and Recommendations

6. The summary recommendations are channeled into three overarching actions: (i) formulation of a national SWM strategy to guide sector advancement and development; (ii) a phased SWM investment program to develop or improve SWM systems nationwide; and (iii) a major long-term multi-functional sector assistance and capacity building program to sustain and strengthen all aspects of SWM provision going forward. Thus, foreign investment support and effective coordination of development partners with sharing international knowledge and practice will be needed for the implementation of these actions. The proposed project team will coordinate with other development partners during project implementation.