



### Project Summary Information

Date of Document Preparation/Updating: 07/29/25	
<b>Program Name</b>	Bukhara Road Network Improvement Project Phase 2
<b>Program Number</b>	M000008
<b>Project Name</b>	Bukhara Road Network Improvement Project Phase 2, Tranche-1
<b>Project Number</b>	P000811
<b>AIIB member</b>	Uzbekistan
<b>Sector/Subsector</b>	Transport/Roads
<b>Alignment with AIIB's thematic priorities</b>	Green infrastructure; Connectivity and Regional Cooperation; Technology-enabled Infrastructure
<b>Status of Financing</b>	Under Preparation
<b>Project Objective</b>	To enhance the efficiency, safety, and climate resilience of the M37 road sections from kilometer 311 to kilometer 365 in the Bukhara Region of Uzbekistan.
<b>Program/Project Description</b>	<p>The Bukhara Road Network Improvement Project Phase 2 (the Program) aims to reconstruct and upgrade critical sections of the M37 international road corridor, covering approximately 160 kilometers (km) from km 207 to km 365 in the Bukhara Region of Uzbekistan. The M37 corridor is a strategic cross-border route, connecting major urban centers such as Samarkand and Bukhara to the border with Turkmenistan, and, thereby, facilitating enhanced regional trade and connectivity.</p> <p>The Program will finance the following activities: (i) civil works for the rehabilitation of approximately 160km of M37 road sections with cement concrete pavement; (ii) consultancy services for construction supervision and technical audit; (iii) design, supply, and installation of Intelligent Transport System (ITS) components along the rehabilitated corridor; and (iv) institutional strengthening and capacity building.</p> <p>Under the proposed MPP framework, the Program will be structured as follows:</p> <ul style="list-style-type: none"> <li>Tranche-1 Project (the Project): Reconstruction of road sections from km 311 to km 346 (Lot 4) and from km 346 to km 365 (Lot 5), with a proposed financing amount of approximately USD150 million.</li> </ul>

	<ul style="list-style-type: none"> <li>Tranche-2 Project: Reconstruction of the remaining road sections from km 207 to km 311, covering Lots 1, 2, and 3. This sub-project will be prepared and submitted for President approval in a subsequent phase.</li> </ul> <p>The BRNIP Phase 2 builds on BRNIP Phase 1 (P000313), which was approved by AIIB's Board on December 8, 2021, and became effective on May 11, 2022. The objective of Phase 1 is to improve transport connectivity and road safety in the Bukhara Region. The project supports the reconstruction of 78 kilometers of road sections of the A380 international highway. As of May 2025, all three civil works contracts are under implementation, and key safeguards and procurement activities are being carried out in accordance with the agreed implementation plan.</p>
<b>Expected Results</b>	The Project is expected to improve transport efficiency, road safety, and climate resilience along the M37 corridor in Bukhara. Key indicators include reduced travel time, improved road safety outcomes, and deployment of climate-adaptive and digital infrastructure.
<b>Environmental and Social Category</b>	A
<b>Environmental and Social Information</b>	<p><b>Applicable Policy and Categorization.</b> AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), applies to this Project. The Project has been tentatively assigned Category A considering the potential for construction works on greenfield sites, as well as significant physical and economic displacement affecting residential, agricultural and commercial entities—with the extent of these risks/impacts dependent on the final choice of financed sections under Tranche-1. An initial review has determined that ESS1 (Environmental and Social Assessment and Management) and ESS2 (Land Acquisition and Involuntary Resettlement) will be applicable to the Project, but ESS3 (Indigenous Peoples) is not relevant as there are no indigenous peoples who meet the definition of this standard located in Uzbekistan.</p> <p><b>Environmental and Social Instruments.</b> An Environmental and Social Impact Assessment (ESIA) will be prepared together with the associated Environmental and Social Management Plan (ESMP) to address Project-related environmental and social (E&amp;S) impacts. To address physical and economic displacement, the Client will prepare a Resettlement Action Plan (RAP). A Stakeholder Engagement Plan (SEP) will also be developed to support consultation and communication throughout the Project cycle systematically, and a Labor Management Plan (LMP) for managing risks related to migrant workers and Labor and Working Conditions (LWC). All E&amp;S documentation including ESIA, ESMP, RAP, LMP and SEP, will be prepared in English before Loan Negotiation.</p> <p><b>Environmental Aspects.</b> The major negative environmental impacts of the Project are expected to be mostly temporary and reversible during the construction periods, including air pollution, noise, soil erosion, tree removal, water pollution,</p>

impacts on borrow areas, and disposal of construction wastes. The extent of impacts such as air pollution and noise caused by road operations depends on the presence and detailed location of sensitive receptors, if any, such as schools, hospitals, residential areas and places of worship in the vicinity of the M37 road corridor. Given the urban and farmland character of the road, initial screening has not resulted in the detection of any critical or natural habitats. This has led to the assumption that biodiversity impacts are expected to be limited, but the potential impacts on biodiversity in the vicinity of the Project area will also be assessed in the ESIA. The management, mitigation and monitoring measures to address these risks and impacts will be provided in the ESMP. The ESMP will contain provisions and plans for air and water pollution control, noise control, labor camp and construction site management, including storage and handling of hazardous materials and wastes, and traffic and public utility management, archaeological “chance finds” procedures and others. A site-specific noise/vibration mitigation and management plan will be part of the ESIA/ESMP to mitigate these impacts. In addition, as part of the ESIA(s), a list of cultural heritage, archaeology, objects and places of special interest in the project area will be developed. The ESMP will also include institutional arrangements, a monitoring plan, and capacity building program.

**Social and Gender Aspects.** The proposed Project may involve significant land acquisition and involuntary resettlement, although most substantial social impacts are anticipated in Lot 1 to Lot 3, given the proposed construction of a 12 km greenfield section required to complete the outer ring road of Bukhara city. These key ESS2 related impacts include (i) acquisition of farmland and orchards, including perennial fruit trees that serve as a source of livelihood; and (ii) involuntary resettlement of residences and businesses, affecting both formal and informal establishments. To minimize adverse impacts, a RAP will be developed in compliance with the ESS2 and the applicable laws and regulations of Uzbekistan. The RAP will outline clear mitigation measures, compensation frameworks and estimates, and grievance mechanisms to support affected communities. Other social/gender related risks mainly relate to (i) the influx of migrant laborers and their potential social impacts on the community and (ii) Gender-based Violence (GBV)/sexual exploitation and abuse (SEA)/sexual harassment (SH). These will also be addressed and mitigated in the E&S Instruments, including in the preparation of the LMP. Based on the findings of the gender analysis and ESIA, it will be decided whether a Gender Action Plan (GAP) will be developed or whether gender specific measures will be incorporated in the relevant management plans.

**Occupational Health and Safety (OHS), Labor and Employment Conditions:** The ESMP will incorporate comprehensive measures to address OHS risks during both the construction and operation phases of the Project, with particular emphasis on OHS hazards related to the O&M of the roads. The ESIA will evaluate (i) the risks associated with an influx of migrant laborers and their potential social impacts on the community and (ii) Gender-based violence

(GBV) and sexual exploitation risks, ensuring that appropriate mitigation measures are identified. These measures will be integrated into contractual obligations for contractors to ensure compliance. To manage Labor and Employment Conditions risks, the Project will require the preparation and implementation of the LMP. These plans will outline procedures to ensure fair and safe working conditions; establish clear mechanisms for addressing substandard labor practices; be enforced across all contractor operations during both construction and operation phases. Contractors' LMPs will be required to include procedures to mitigate related risks and impacts, ensuring compliance with national labor laws and best international practices.

**Stakeholder Engagement, Consultation and Information Disclosure.** Consultations will be held in phases during the preparation of the E&S documentation and after the draft E&S package is completed and will ensure meaningful participation, with views and concerns of the potentially Project-affected communities, including women and vulnerable groups, is adequately addressed. Based on stakeholder consultation feedback, the E&S documentation will be finalized. All E&S documentation, including ESIA, ESMP, RAP, LMP and SEP, will be prepared in English before Loan Negotiation with the executive summaries for each translated into Uzbek and disclosed in an appropriate manner on the AIIB and Client's websites and made available in hard copy in the Project area.

**Project Grievance Redress Mechanism (GRM).** A multi-tier GRM will be developed and implemented in alignment with the requirements of the Bank's ESP. The GRM will be established by loan effectiveness or prior to the implementation of the ESMP and RAP, whichever occurs first. The GRM including Bank's Project-affected People's Mechanism (PPM) will be clearly outlined in the SEP and other E&S documents and widely disseminated to Project-affected communities through multiple communication channels. It will include clear timelines, procedures, and responsible entities to ensure timely and fair resolution and ensure that additional procedures are in place, if necessary, to address any complaints related to GBV/SEA/SH in a sensitive manner. Additionally, a separate GRM will be established specifically to address workplace complaints and concerns.

**Monitoring and Reporting Arrangements.** The Committee for Roads (RC) under the Ministry of Transport (MOT) is the Project Implementing Agency and will be responsible for implementation and monitoring of the Project in compliance with the Bank's ESP and maintaining of the Project-level GRMs. The Project Implementation Unit (PIU) is planning to recruit one individual E&S consultant at the PIU level who will assist with the implementation of AIIB's E&S instruments for M37. The Client will submit semi-annual monitoring reports based on the agreed format with AIIB. The Bank will conduct regular semi-annual implementation supervision field missions and monitor progress. The Bank may conduct additional field visits as and when required during the Project implementation.

<b>Cost and Financing Plan</b>	Tranche-1 Project cost: USD168 million AIIB Loan: USD150 million (89.3%) GoU: USD18 million (10.7%)		
<b>Borrower</b>	Republic of Uzbekistan		
<b>Guarantor</b>	Not Applicable		
<b>Implementing Entity</b>	Committee for Roads under the Ministry of Transport of the Republic of Uzbekistan		
<b>Estimated date of loan closing (SBF)</b>	09/01/31		
<b>Contact Points:</b>	<b>AIIB</b>	<b>Borrower</b>	<b>Implementation Organization</b>
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<b>Date of Concept Decision</b>	04/29/25		
<b>Estimated Date of Appraisal Decision</b>	October 2025		
<b>Estimated Date of Financing Approval</b>	December 2025		

<b>Independent Accountability Mechanism</b>	<p>The Project-affected People's Mechanism (PPM) is applicable to this project and will be disclosed on the Clients website and in the Project area. The PPM has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through Project-level GRMs or AIIB Management's processes. For information on how to make submissions to the PPM, please visit: <a href="https://www.aiib.org/en/projects/infrastructure/uzbekistan/road-reconstruction-project">How We Assist You - Project-Affected People's Mechanism (aiib.org)</a></p>
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