Project Summary Information (PSI)

Project No: 000076

Project Name	Power Transmission Project in Tashkent
Country	Republic of Uzbekistan
Sector	Energy/Transmission
Project No	00000076
Borrower	Republic of Uzbekistan
Implementation Agencies	Joint-Stock Company (JSC) Uzbekenergo
Environmental and Social Category	Category B
Date of PSI prepared or updated	March 20, 2018
Estimated Date of Board Consideration	November 2018
Concept Decision	March 13, 2018

I. Introduction

Uzbekistan's economy has grown steadily since its independence in 1991, economic growth was recorded at 8% p.a. for a seven-year period 2009 – 2016. Key exports of the country are agriculture (cotton and wheat) and natural resources (gold and gas), to its traditional export partners, namely the Commonwealth of Independent States (CIS)¹, China, South Korea, Russia and Ukraine.

Joint-Stock Company (JSC) Uzbekenergo (Uzbekenergo), is a vertically integrated and publicly-owned monopoly in charge of the electricity generation, transmission and distribution in Uzbekistan. Uzbekenergo provides centralized power supply to the economy and population of the country as well as heat supply to industrial and municipal consumers in many cities.

Aside from the system, the power grid is a lynchpin for the Central Asia Power System, interconnected and synchronized high-voltage power transmission networks built during Soviet era linking Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan managed by coordination dispatch center in Tashkent.

II. Project Objectives and Expected Results

The objective of the Project is to improve reliability supply in Tashkent to satisfy the energy demand in Sergeli district.

The proposed key performance indicators for the Project include: (i) capacity of the transformers to be installed (Kilovolt-Ampere, KVA); and (ii) length of the overhead transmission lines to be installed (km).

III. Project Description

The Project will be located in the city of Tashkent, in Sergeli district.

The components of the Project are as follows:

<u>Component 1:</u> Construction of: (i) 220kV double circuit overhead transmission line (length estimated at 25km) and; (ii) three tranches of 110 kV overhead transmission line (length estimated at 15km) each of them to supply electricity to a new metallurgical plant currently under construction, the extension of the metro line and the residential area of Sergeli district; and

Component 2: Construction of: (i) 220kV/110kV transmission substation; and (ii) 110kV/10kV substation to supply energy to the new metallurgical plant located in Tashkent.

¹ The Commonwealth of Independent States is a loose confederation of 9-member states located in Eurasia, namely Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan and Uzbekistan

IV. Environmental and Social

The Project involves the construction of power transmission infrastructures to supply electricity to a new metallurgical plant, the extension of the metro line and the residential area in Sergeli district. As per the Bank's Environmental and Social Framework, the Project is proposed to be placed in environmental and social category "B," however this will be confirmed by the Project Team after a field mission is conducted by staff and may need to be revised following the environmental and social impact assessment (ESIA). It is expected that there shall be limited land acquisition and no displacement of local population during the implementation of the Project, but this will need to be confirmed during preparation.

During Project appraisal, due diligence will be conducted to assess the environmental and social impacts and the key environmental and social issues/risks, as well as to propose suitable mitigation measures and a monitoring program. Uzbekenergo will prepare an Environmental and Social Management Plan (ESMP) to address environmental and social issues.

The draft ESIA together with the resulting ESMP, and any other related documentation will be disclosed both on the Borrowers' website as well as the Bank's prior to appraisal.

V. Estimated Project Cost and Financing Source (US\$ million)

The Project cost is estimated to be USD30 million. The financing sources are as follows (in USD million):

Loans/Credits/Others	Amount
AIIB	25.00
Other Sources – JSC "Uzbekenergo"	5.00
Total	30.00

VI. Implementation

The Project will be implemented by Joint-Stock Company (JSC) "Uzbekenergo" under the Ministry of Finance.

The Project implementation period is estimated to be 24 months.

Procurement for all contracts funded by the Loan proceeds will be carried in accordance with the requirements of the Bank's Procurement Policy and its associated Interim Operational Directive: Procurement Instructions for Recipients.

Participation is open to firms and individuals from all countries to offer, goods, works and services, regardless of whether the country is a member of the Bank.

Opportunities will be published on the Bank's website available at the following link: https://www.aiib.org/en/opportunities/business/index.html?business=investment

Contact Points

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