

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)
APPRAISAL STAGE**

Report No.: PIDISDSA16816

Date Prepared/Updated: 05-Oct-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Uzbekistan	Project ID:	P156584
		Parent Project ID (if any):	
Project Name:	Modernization and Upgrade of Transmission Substations (P156584)		
Region:	EUROPE AND CENTRAL ASIA		
Estimated Appraisal Date:	26-Sep-2016	Estimated Board Date:	01-Dec-2016
Practice Area (Lead):	Energy & Extractives	Lending Instrument:	Investment Project Financing
Borrower(s):	Republic of Uzbekistan		
Implementing Agency:	UZBEKENERGO		
Financing (in USD Million)			
	Financing Source		Amount
	BORROWER/RECIPIENT		20.30
	International Bank for Reconstruction and Development		92.00
	International Development Association (IDA)		58.00
	Total Project Cost		170.30
Environmental Category:	B - Partial Assessment		
Appraisal Review Decision (from Decision Note):	The review did authorize the team to appraise and negotiate		
Other Decision:			
Is this a Repeater project?	No		

B. Introduction and Context

Country Context

Uzbekistan is a lower-middle-income, resource-rich, and double landlocked country strategically located in the heart of Central Asia. Uzbekistan, which is the only country in the region to border all the other countries in Central Asia (Kazakhstan, Kyrgyz Republic, Tajikistan, and Turkmenistan), with its 30 million inhabitants, accounts for close to a half of the region's population. The country has significant mineral wealth, and its economic and social prospects are important for the people in the country and the rest of the Central Asian countries, which were collectively part of the former Soviet Union up to the early 1990s.

According to the official statistics, Uzbekistan has made steady progress in reducing poverty and boosting shared prosperity. The proportion of households living under the national poverty line halved from 27.5 percent in 2001 to 13.5 percent in 2015. Growth appears to have been equitable over the recent past with a slight increase in the share of total income earned by households in the bottom 40 percent of the income distribution. The Gini coefficient is officially reported to have declined from 0.39 in 2001 to 0.30 in 2012. However, considerable geographic disparities remain and the poorest provinces are those with a largely rural population and low population density.

The positive progress is mainly attributable to the country's robust economic growth. Annual GDP growth averaged 7.3 percent over the 2001-2014 period and over the last decade Uzbekistan has had the highest growth rate in Europe and Central Asia (ECA) and was one of the eight fastest growing economies in the world. The country benefited from favorable trade terms for its key export commodities, including copper, gold, natural gas, and cotton, that lasted for a number of years. In the recent past, counter-cyclical policies in 2011-2013 were successful in maintaining GDP growth despite a weakening external environment. However, due to a larger external shock in 2014-15 that resulted in a deeper export decline coupled with a sharper decline in remittances, the economy is expected to have slowed to seven percent growth in 2015, and will likely continue to negatively affect growth over the medium term.

Uzbekistan's broad development objective is to create new jobs sustainably, and its long-term development goal is to become an industrialized, upper-middle-income country by 2030. To support the strategic objectives for economic development, the Cabinet of Ministers presented its Program of Action that sets seven strategic objectives for 2015 and subsequent years: (a) increase the competitiveness of the economy; (b) provide complete freedom for private sector development; (c) reduce the level of government involvement in the economy to a strategically and economically reasonable size; (d) strengthen corporate governance; (e) deepen domestic industrial production; (f) strengthen infrastructure; and (g) create the conditions for rapid job creation. The Program of Action recognizes that implementation will be the biggest challenge and that successful implementation requires major changes in economic governance.

Aging infrastructure poses one of the key constraints, however, to the achievement of the country's long-term development priorities. Although Uzbekistan has generally maintained its infrastructure (roads, irrigation network, electricity, and gas distribution) in better conditions than some other former Soviet Union countries, the infrastructure is aging and becoming obsolete, which negatively impacts the quality of infrastructure services. This is demonstrated, for example, by firms listing lack of a reliable electricity supply as a key constraint in the country's business environment. Considerable investment is therefore needed to ensure the availability and quality of infrastructure services that underpin the diversification of economic activities, enhanced productivity, and job creation.

Improving the performance of the energy sector therefore directly contributes to increasing business activities and job creation. Investments in the sector have direct benefits on job creation across the electricity supply chain . Moreover, reliable power supply indirectly contributes to the creation of employment opportunities in productive sectors that use electricity as an input factor of production through its contribution to an improved investment climate for the private sector. Over 32 percent of firms operating in Uzbekistan identify the lack of reliable electricity as a major constraint to doing business, and average losses due to electricity outages are reported to represent approximately seven percent of annual sales . In addition, reliable electricity and heating supply play important roles in social development, and improving health and education development outcomes.

Sectoral and institutional Context

Sector Background

The demand for electricity in Uzbekistan is primarily driven by the industrial and residential customers, and the supply-demand balance has been generally tight. The total electricity consumption in 2014 was 43,955 GWh, of which industrial customers accounted for 41.4 percent, residential demand 24.5 percent, and agriculture 20 percent. Driven by the industry- and export-led growth pursued under the Uzbekistan Development Vision 2030, and the growth in disposable income, the demand for electricity is expected to grow predominantly among the industrial and residential customers. Under the base-case demand growth projection, the electricity supply gap is expected to emerge as early as during 2016, and continue to grow if the required investments are not made in a timely manner.

The country's energy-mix for electricity generation is predominantly based on natural gas and a substantial portion of generation assets are past their operating life. About 82 percent of the total installed capacity of 12,510 MW in Uzbekistan is natural gas-based, followed by hydropower (12 percent) and coal (five percent). Moreover, nearly 40 percent of the total installed capacity is past or close to the end of its operating life. As the generating assets are aging, older thermal power plants are becoming obsolete and are operating less efficiently than modern equivalent plants elsewhere.

Key transmission and distribution infrastructure is also aging because the network was developed during the Soviet era as part of the regional grid in Central Asia. The country has more than 230,000 km of transmission and distribution lines. The network is interconnected with neighboring countries through 500 kV and 220 kV transmission lines. Some of the transmission and distribution lines, substations, and auxiliary facilities built during the Soviet era have become obsolete and past their economic life. For this reason, the electricity losses are high, estimated at 20 percent of net generation, and the utilities are incurring additional operations and maintenance (O&M) expenses to source spare parts that are no longer easily available and to cope with frequent outages of equipment.

Some sector reform measures have been undertaken in the last decade with the objective of improving the functioning of the sector, and the emerging sector structure resembles a functional "single buyer model" managed under a vertically-integrated holding company. The Government of Uzbekistan (GoU) has embarked on various reform measures, including functional unbundling of generation, transmission, distribution, and dispatch. The majority of the country's power generation, transmission, and distribution assets are owned and operated by subsidiaries of a single holding company, Uzbekenergo (UE). UE, composed of 53 subsidiary companies, owns

and operates seven thermal power plants, 29 hydropower plants, and three combined heat and power plants. Its subsidiary, Energosotish, is the single buyer and supplier in the sector. Uzelectroset is the system operator providing dispatch, transmission, and network services, and includes seven high-voltage (HV) transmission network affiliate operators. Electricity distribution is managed by 14 regional electricity distribution companies. However, most of these companies do not operate as independent companies with sufficient accountability, responsibility, and decision making authorities. The decision making on key aspects is still kept by the GoU.

Sector Challenges and Initiatives

Supply of electricity is increasingly becoming unreliable due to the aging infrastructure along the electricity supply chain, and insufficient investments for rehabilitation. Failures of old transmission and distribution infrastructure and transmission capacity bottlenecks contribute to unreliable electricity supply, higher maintenance costs, and higher system losses. Blackouts are becoming common in some areas, especially during winter months when demand is high. The country's electricity reliability indicators are worse than most other countries in the region. Firms report that close to seven percent of their revenues are lost due to electricity outages (Figure 4). It is estimated that unserved supply of electricity in 2010 was 860 GWh (about 1.7 percent of total consumption), incurring an economic loss of US\$52 million during the winter due to unreliable supply.

For this reason, modernization of the transmission and distribution infrastructure has been prioritized to improve the efficiency and reliability of electricity supply. In addition to power generation projects being implemented to address the demand-supply challenges, UE has been investing in the transmission system since 2001, gradually adding and rehabilitating the transmission lines and substations between major power plants and load centers. The World Bank has supported Talimarjan Transmission Project, which has helped to improve the reliability of electricity supply in the south-western regions. Going forward, significantly more upgrades of the existing and obsolete transmission and distribution lines will be needed. The cost of such an investment is estimated at US\$1.3 billion by 2020. While about a half of the required funding is secured, the remaining funds will need to be catalyzed. The proposed project will contribute to modernize the transmission substations that are crucial for the country's electricity supply.

To mitigate the tight demand-supply balance, energy efficiency needs to be improved both on the demand- and supply-side. Energy intensity in Uzbekistan is among the highest in the world that the country uses close to three times as much as the ECA average to produce a unit of GDP. In addition, the aging of thermal power plants, and transmission and distribution lines contribute to supply-side inefficiencies. The weighted average thermal efficiency of existing gas-fired thermal power plants is 33 percent compared to the efficiencies of 53-56 percent achieved by modern combined cycle gas turbines; the system losses (technical and non-technical losses combined) estimated at 20 percent of net generation are also relatively high; and the inefficiencies along the electricity supply chain are estimated to cost the economy at least US\$1.5 billion annually.

New investments in the sector will need to aim at improving both supply- and demand-side energy efficiency, and it is essential to introduce modern technologies and practices. Supply-side efficiency measures in the power sector include replacement of old gas-fired power plants, and investment in transmission and distribution lines to reduce losses. Several investment projects to install high efficiency combined cycle gas-based power plants are under implementation or in the

pipeline. In this context, optimization of the power system operations and economic dispatch would also help improve efficiencies in the sector. Demand-side energy efficiency measures include promotion of efficient devices and practices in the industrial, residential, and agricultural sectors. The World Bank, for example, has been supporting credit lines for energy saving investments undertaken by industrial enterprises.

A considerable sum of investment is needed to ensure reliable and efficient supply of electricity. It is estimated that about US\$8.4 billion is required in the power sector to replace aging generation plants, and rehabilitate transmission and distribution lines. In the past, such investment has been publicly funded, incurring a fiscal burden to the country. Given that the share of fossil fuel subsidies in GDP at 21.7 percent is already among the highest in the world, and the prevailing environment of weak commodity prices, this is unlikely to be sustainable. For this reason, there is a need to be selective with public sector investment, and to explore alternative financing arrangements, including facilitation of private sector investment in the sector, and gradual adjustment of tariffs to ensure cost recovery of the long-term marginal cost.

A preliminary discussion on the sector reform has been underway to help commercialize sector operations and eventually mobilize private resources. The Reform Program adopted in 2001 envisages transformation of the sector into a functionally unbundled and partially privately-owned industry. The Law on Electric Power (2009), which was subsequently adopted, aims to provide an integrated framework for the sector regulation, including the promotion of private investment in power generation and distribution. The Bank has been in discussion with the Government regarding possible measures to support commercialization of the sector operations. Upgrading the transmission and distribution network will be an essential ingredient to accommodate private investment in the future.

Despite several adjustments in the end-user electricity tariffs that have contributed to improved financial performance of UE, the company faces some financial challenges. The electricity tariffs are regulated by the central government. Since 2004, the retail tariffs have been regularly adjusted, increasing on average from US\$0.018/kWh in 2004 to US\$0.059/kWh in 2015. As a result, the overall financial performance and profitability of UE have generally improved. However, the company faces challenges in cash management, due in part to the slow collection of electricity bills and high accounts receivables, which has triggered a low debt-service coverage ratio. As new assets are added to the company's balance sheets, the long-term financial viability of UE will depend on the improvements in operational efficiency (i.e. increase in power generation efficiency and reduction in technical and commercial losses), collection performance, and regular and cost-reflective tariff adjustments including revenue requirement for capital expenditures.

A number of measures will be undertaken to improve UE's financial performance. The ongoing Advanced Electricity Metering Project aims to establish the much needed reliable and transparent revenue system for accounting the electricity supplied to the consumers in three oblasts (regions) and also track revenue received by the utility, which will help reduce commercial losses of UE's three regional power distribution companies, and improve their revenue collection. Reducing the country's high transmission and distribution losses will contribute to improve UE's financial position. Moreover, in the interim, the Bank has been in discussion with the Government to prepare a financial recovery plan for UE. The ongoing TA on energy subsidies, which aims to support the Government to develop a comprehensive set of measures to reduce energy subsidies in the sector, is also under implementation.

High dependency on natural gas and the exposure to hydro-meteorological risks are being mitigated through diversification of fuel-mix and promotion of regional trade with Uzbekistan's neighbors. The GoU is pursuing development of coal, solar photovoltaic (PV), and exploring wind power resources to diversify the energy-mix. In parallel, increased seasonal power trade with the neighboring countries connected to the Central Asian Power System (CAPS) would allow Uzbekistan to use hydropower for peaking plants, and contribute to more efficient and potentially more resilient operations when renewables are integrated in the system. To do so requires strengthening of the backbone transmission networks, including rehabilitation and upgrade of key substations. Moreover, to better adapt to the risk of climate change, improvement in hydro-meteorological services and trans-boundary water resource management are being pursued in conjunction.

Rationale for Bank's Involvement

The Bank Group mobilizes good industry practices from around the world and focuses on key areas in the energy sector. The close alignment with the GoU's priorities and intensive dialogue led to the Bank Group becoming a partner of choice in the sector for the GoU. As described in the preceding section, the areas of Bank Group's engagement include supply-side and demand-side energy efficiency, utility accountability enhancement, renewable energy development, and strengthened transmission and distribution linkages, all aimed at addressing the aforementioned sector challenges in a comprehensive manner, and supplying reliable power to deficit regions, supporting economic growth, and ensuring future energy growth with a lower carbon footprint. The Bank Group, since its engagement in the Uzbek energy sector has become a strong partner with GoU in both knowledge and investment activities in the energy sector. As described in more detail below, the proposed project will support the introduction of technologies and practices that have not yet been implemented hitherto in Uzbekistan.

The proposed focus of the project on transmission substations supplements external assistance provided by other development partners in associated areas, such as power generation, transmission lines, and distribution. The development partners active in the sector include the Asian Development Bank (AsDB), the Islamic Development Bank (IsDB), and Japan International Cooperation Agency (JICA), and their areas of focus include power generation (new plants and rehabilitation of existing ones), transmission lines (rehabilitation and extension), and distribution (advanced meters). The proposed project will improve efficiency and reliability of the network and thereby complete the activities undertaken by other development partners.

C. Proposed Development Objective(s)

Development Objective(s)

The project development objective is to improve the technical efficiency and reliability of the power transmission networks in Uzbekistan.

Key Results

D. Project Description

In the transmission sub-sector in Uzbekistan, there are 75 HV (220-500 kV) electricity transmission substations. According to a technical audit conducted, 62 substations require

modernization and replacement of electrical equipment, due to obsolete technology and aging. One of the substations to be rehabilitated was commissioned in 1947. The failures of substations cause unreliable and poor quality electricity supply, increased losses, and higher maintenance costs. The average occurrence of electrical equipment failures has doubled in recent years from about 35 per year in 2001-2008 to about 76 per year in 2008-2013. As a result, it is estimated that UE has been losing approximately US\$24 million per year due to higher maintenance cost, and foregone revenues. The proposed project will support modernization of the priority substations identified in need of replacement/rehabilitation. The proposed project consists of two components with the following estimated costs: (i) Electricity Transmission System Upgrade (US\$165.3 million); and (ii) Institutional Development, TA, and Project Implementation Support (US\$5 million).

Component Name

Component 1: Electricity Transmission System Upgrade (US\$165.3 million: IBRD ➤(US\$145 million, UE ➤(US\$20.3 million).

Comments (optional)

This component will support rehabilitation, upgrade, and expansion of existing substations of 220 kV and higher voltage in Uzbekistans national grid.

Component Name

Component 2: Institutional Development and Technical Assistance (US\$5 million: IBRD ➤(US \$5 million).

Comments (optional)

This component will cover activities designed to support institutional development of UE, such as International Financial Reporting Standards (IFRS) transition support and audits; key sector studies for further development of the energy sector; and capacity building and training.

E. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The proposed project will be implemented on a large part of the 62 existing and well fenced substations in need of replacement/rehabilitation located in Andijan, Bukhara, Jizzakh, Kashkadarya, Navoiy, Surkhandarya, Samarkand, Fergana, Namangan, and Tashkent regions. According to a technical audit conducted by Uzbekenergo, all 62 substations require modernization and replacement of electrical equipment, due to obsolete technology and aging. Of the 62, 22 substations in particular are prioritized because of their age, status of the assets and their performance. The locations and other information of the 22 substations are provided in the PAD (pp. 27-28).

F. Environmental and Social Safeguards Specialists

Arcadii Capcelea (GEN03)

Rebecca Emilie Anne Lacroix (GSU03)

II. Implementation

Institutional and Implementation Arrangements

The proposed project will be implemented by UE. The company is controlled by the GoU through

the Company Council and the Board. The Company Council is the supreme managerial body of the company, consisting of nine members, including a Chairman appointed by the Cabinet of Ministers. The Company Board is an executive body, consisting of five members. UE is a well-established power utility and has solid technical capacity in implementing power projects.

Day-to-day supervision and management responsibility for the project will be assigned to the PMU established within UE, which has been managing the recently-completed World Bank-funded transmission project since 2011. The PMU will be responsible for preparation and implementation of the project, including preparation of project plans, procurement documents, progress reports, management of all consulting and investment contracts. Core staff of the PMU has been appointed and their terms of reference agreed with the Bank.

III. Safeguard Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	This OP is triggered as the proposed activities would generate some impacts which would be minor, of limited duration, influence a relatively small area, and occur primarily during the construction phase. While replacing old transformers, there might be also some health and environmental impacts related to PCBs which represent Persistent Organic Pollutants. An ESMF was prepared by the client which describe the EA procedure, necessary mitigation and monitoring measures for preparing site specific EMP for upgrading selected substations. Based on the ESMF provisions for all included in the project electrical stations a site specific EMP Checklist will be prepared during the first phase of project implementation, starting with the priority 22 stations which are in great need for rehabilitation due to their age, status of the assets and performance.
Natural Habitats OP/BP 4.04	No	The project will be implemented within the well fenced electrical substations and thus no natural habitats will be impacted.
Forests OP/BP 4.36	No	The project will be implemented within the well fenced electrical substations and thus there will be no impacts on forests.
Pest Management OP 4.09	No	N/A
Physical Cultural Resources OP/BP 4.11	No	The project will be implemented within the well fenced electrical substations and thus there will be no any impacts on PCR
Indigenous Peoples OP/BP 4.10	No	N/A
Involuntary Resettlement OP/ BP 4.12	No	Investments will take place within existing substations and will not require additional land. The sub-

		stations are all securely fenced in, limiting the possibility of informal occupancy. For these reasons, impacts covered under OP 4.12 are not anticipated and OP 4.12 is not triggered.
Safety of Dams OP/BP 4.37	No	N/A
Projects on International Waterways OP/BP 7.50	No	N/A
Projects in Disputed Areas OP/BP 7.60	No	N/A

IV. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

<p>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p> <p>The proposed civil works and dismantling or installing electrical equipment would generate some adverse impacts related to dust and noise; air and water pollution; construction wastes; asbestos; and health and labor safety issues. All of them would be minor, of limited duration, influence a relatively small area, and occur primarily during the construction phase. While replacing old transformers, there might also be some health and environmental impacts related to Polychlorinated Biphenyls (PCBs), which represent Persistent Organic Pollutants and may provoke carcinogenicity, reproductive impairment, immune system changes and also the loss of biological diversity. The project will replace oil and air circuit breakers with SF6 gas insulated circuit breakers to improve efficiency, reliability, safety, operability and maintainability. An internationally well-established procedure in handling SF6 gas would be followed. Yuksak substation will be equipped with GIS (gas insulated switchgear) system, a set of SF6 gas insulated components including circuit breakers, disconnectors, instrumental transformers and bus-bars. The design and installation of the SF6 gas insulated electrical switchgears, which will satisfy IEC 62271-1, will be strictly handled as per international practices. As the project will provide after modernization significant reduction in energy losses, it will contribute to reduction in GHG emissions, - the preliminary estimations show over the economic lifetime of the project/modernized electrical stations (about 35 years) the total amount of CO2 emissions would be at the level of 5.407.466 tones.</p> <p>The project will bring positive economic and social impacts as the proposed activities would increase efficiency and reliability of electricity supply for the population and economy of the large area of the country. Due to redundancy in substation configurations, disruptions of electricity supply for consumers is expected to be minimal but consumers may experience some power outages. It is planned to use modular mobile transformers with protection to reduce outages during modernization. Uzbekenergo will also post outage schedules on its portal and disseminate through Mahalla (local community groups). By announcing and adhering to outage schedules, consumers can better plan activities around the expected loss of power.</p>
<p>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</p> <p>The potential indirect impact are positive and relate to improved electricity supply for the large population of the country.</p>
<p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p>

N/A.
<p>4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.</p> <p>As the final list of substations to be financed under the project is not determined, the borrower prepared an Environment and Social Management Framework (ESMF) in accordance with the World Bank guidelines, which would guide the Environmental Assessment (EA) process during the project implementation phase. Overall the main goal of the ESMF is to avoid, minimize or mitigate potential negative environmental and related social impacts caused by implementation of the project. The ESMF has to ensure the identified subprojects are correctly assessed from environmental and social point of view and that a subproject-specific Environmental Management Plan is designed and implemented addressing site specific environmental impacts. Respectively, the ESMF prepared by the borrower outlines environmental assessment procedures and mitigation requirements for the modernization of electrical stations, which will be supported by the project. It provides details on the National and World Bank EA rules and procedures, emphasizing existing differences and how they will be solved; potential impacts and main mitigation activities; details on the Statement of the Draft of Environmental Impacts, Environmental Management Plan Checklist and Statement of Environmental Consequences to be prepared for all selected for modernization electrical substations; requirements for conducting monitoring and reporting activities as well as institutional responsibilities for EMPs implementation. In order avoid/minimize the PCBs risks before old transformers dismantling it is necessary to conduct oil testing on these substances. For this purpose the ESMF provide necessary guidance on conducting transformer oil testing for identification of the PCBs as well as on ensuring health safety during oil testing and in the case and such substances will be identified. ➤(A large sample of oil from transformers was tested by UE, and no PCB was found. In the case, PCB is found in transformer oils in the future, the Bank proposes that UE follow the rules and requirements as prescribed in the "Guidebook on Environmental Sound PCB Management in Electrical Equipment" (prepared under Moldova POPs Stockpiles Sustainable Management and Destruction project) which is based on best international practice in this regard. The PCBs containing and polluted equipment will be labeled, keeping used oil and contaminated transformers in the tanks in a guarded facility, until when the proper utilization/disposal measures will be in place. The specified document provide all necessary details on PCBs storage and transportation as well as existing alternatives for their disposal. This is in line with the Stockholm Convention requirements in terms of the elimination of the use of polychlorinated biphenyls in equipment (e.g. transformers, capacitors or other receptacles containing liquid stocks) by 2025. ➤(</p> <p>The overall responsibility of the project implementation, including the environmental assessment and monitoring, lies with UE. The Company currently implements two other World Bank-funded projects - Talimarjan Transmission and Advanced Electricity Metering Projects and its Environmental Assessment (EA) capacity based on these two projects until now has been qualified as satisfactory. The day-to-day project activities will be the major responsibility of the PMU which will be also responsible for ensuring that project activities are being assessed from an environmental point of view and that requested EA documents are prepared and EMPs are adequately implemented. For the purpose of implementing environmental safeguards, a Safeguards Specialist (SS) will be hired within the PMU. The SS main responsibility will be to coordinate all EA activities and ensure adequate implementation of and ESMF and concrete EMPs requirements. During the sub-projects implementation, the SS would perform regular supervisions of the sites to confirm compliance with EMP requirements. In the case of non-compliance, the PMU SS would investigate the nature and reason(s) for non-compliance, and a decision would</p>

<p>have to be made on what is needed to bring a sub-project into compliance, or whether financing should be suspended. The status of compliance with agreed environmental mitigation measures is to be reported by contractors to the PMU and then to the World Bank by the PMU in their regular (semi-annual) progress reports. The ESMF and EMP provisions would be integrated into the Project Operational Manual and in construction contracts for individual subprojects, both into specifications and bills of quantities, and the Contractors will be required to include the cost in their financial bids.</p>
<p>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</p>
<p>The ESMF document has been consulted with the key stakeholders. Uzbekenergo has disseminated the draft summary of the ESMF to its relevant departments and to other interested parties for review and comments, also posting (on December 31, 2015) it for wide public on its web site (http://www.uzbekenergo.uz/uz/) in Russian language. On January 19, 2016 the company conducted a consultation meeting on the document. The meeting concluded that the draft ESMF document covers practically all potential impacts and possible mitigation measures along with clear procedures for monitoring and implementing arrangements. The draft document was revised after the meeting, taking into account several suggestions made during the consultation.</p>

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	27-Nov-2015
Date of submission to InfoShop	24-Jan-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
Uzbekistan	31-Dec-2015
<i>Comments:</i> The document has been disclosed at: http://www.uzbekenergo.uz/	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

World Bank's Infoshop?	
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

V. Contact point

World Bank

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VII. Approval

Task Team Leader(s):	Name: Mitsunori Motohashi, Sunil Kumar Khosla	
Approved By		
Safeguards Advisor:	Name: Nina Chee (SA)	Date: 05-Oct-2016

Practice Manager/ Manager:	Name: Ranjit J. Lamech (PMGR)	Date: 05-Oct-2016
Country Director:	Name: Jan-Peter Olters (CD)	Date: 10-Oct-2016