Early Warning System

AIIB-00328

Uzbekistan: Rural Infrastructure Development Project (Previously: Prosperous Villages Project)

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Quick Facts

Countries	Uzbekistan
Financial Institutions	Asian Infrastructure Investment Bank (AIIB), World Bank (WB)
Status	Approved
Bank Risk Rating	B
Voting Date	2019-12-12
Borrower	Republic of Uzbekistan
Sectors	Construction, Energy, Infrastructure, Law and Government, Transport, Water and Sanitation
Potential Rights Impacts	Housing & Property, Labor & Livelihood
Investment Type(s)	Loan
Investment Amount (USD)	$ 82.00 million
Loan Amount (USD)	$ 82.00 million
Project Cost (USD)	$ 183.60 million

Project Description

According to the Bank's website, this project aims "to increase access to basic infrastructure and services, and to strengthen participatory local governance processes in targeted rural communities." Bank documents outline two components:

- Sub-projects comprising investments in basic infrastructure such as access to water for drinking, irrigation and agricultural production; sanitation services; rehabilitation of social facilities; rehabilitation of roads, footpaths and bridges; rural electrification, and energy efficiency improvements. Investments are subject to a negative list that includes housing construction and renovation or any investments that require physical displacement or resettlement of people
- Project management, monitoring and evaluation and institutional support as devised by the Ministry of Economy and Industry

Because this project will be co-financed by the Asian Infrastructure Investment Bank and World Bank, it has been agreed that the World Bank's Environmental and Social Safeguard Policies will be used.

Early Warning System Project Analysis

Although this project endeavours to deliver needed infrastructure and ensure this development is community-based, the continued prevalence of forced labour under the larger *Obod Qishloq* programme, the restricted environment for communities to voice their opinions free from coercion, and the current capacity of civil society to meaningfully participate in these processes is concerning.

Despite government reforms, since the launch of the programme in May 2018, Uzbek-German Forum for Human Rights (UGF) has documented numerous reports and complaints from residents of Uzbekistan that local authorities are forcing employees of state-funded organisations to work without pay and carry out unskilled, and often dangerous, tasks.

There is an ongoing and high risk of abuses, including evidence of state-organized mass forced labour, directly related to the *Obod Qishloq* programme, which this project supports. Given the plans and mitigation measures currently outlined in the World Bank's project documents, there are challenges with the:

- focus and dependence on regional and district *hokomiyats* in promoting and implementing participatory community-based development, including discretion over land use, given evidence of widespread current complicity in enabling forced labour and other violations when carrying out the *Obod Qishloq* programme;
- lack of attention to capacity building for Uzbek civil society in order to enable their meaningful participation and leadership, as envisioned;
- lack of penalties or repercussions outlined for contractors found to use forced labour under this project;
- lack of preventive measures to address the proven inadequacy of traditional grievance reporting frameworks, such as hotlines, in reporting forced labour for fear of lack of anonymity and of reprisals; and
- lack of specific provisions outlining how the World Bank and the AIIB will proactively create and safeguard space for community members and civil society to safely express their opinions and priorities to create *qishloq* development plans for sub-investments under this project, including in instances where there is disagreement with authorities, and if intimidation, threats and reprisals are reported.

For additional details and civil society recommendations, see: https://ews.rightsindevelopment.org/wp-content/uploads/2019/11/Letter-to-WB-AIIB-Board-re_-Obod-Qishloq.pdf

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Investment Description

- Asian Infrastructure Investment Bank (AIIB)
- World Bank (WB)

Asian Infrastructure Investment Bank: US$82 million loan

Contact Information

AIIB

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World Bank

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Project Implementation Unit

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ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides “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 the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.” Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html.

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html.

Bank Documents

- Project Summary Information September 26 2019

Campaign Documents

- Letter to AIIB - Concerns about Proposed Investment in Prosperous Villages Project [Original Source]
- Letter to World Bank - Concerns about Proposed Investments in the Prosperous Villages Project [Original Source]
- There is No Work We Haven't Done: Forced Labor of Public-Sector Employees in Uzbekistan [Original Source]

Other Related Projects

- WB-P168233 Rural Infrastructure Development Project (Previously Uzbekistan Prosperous Villages)
- AIIB-001157 Uzbekistan: Rural Infrastructure Development Project - 2 (RIDP-2)