

CONCEPT PAPERS FOR LENDING PRODUCTS

This appendix contains the concept papers for projected lending products.

- (i) Table A2.1: Dushanbe–Kyrgyz Border Road Rehabilitation Phase II
- (ii) Table A2.2: Regional Gas Transmission Improvement Project (Tajikistan)

**Table A2.1: Dushanbe–Kyrgyz Border Road Rehabilitation Project Phase II
Concept Paper**

Date: 28 June 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other: RETA</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport Subsector(s):</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <p>Themes</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input checked="" type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table> <p>Subtheme(s):</p> <ol style="list-style-type: none"> Fostering physical infrastructure development; Promoting economic efficiency and enabling markets; and Developing rural areas 	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input checked="" type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input checked="" type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input checked="" type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input checked="" type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Transport and Communications Division, East and Central Asia Department</p>								
<p>5. Responsible ADB officer: Jeffrey Miller, Sr. Project Economist</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: The project will continue the rehabilitation of the key transport corridor linking Tajikistan to the Kyrgyz Republic and on to the People's Republic of China (PRC), in particular, the section from kilometer (km) 140 to Nimich (km 217). The project road provides the primary link between the Rasht Valley and Dushanbe. The project area was the scene of heavy fighting during Tajikistan's civil war in the mid-1990s, and has a poverty incidence estimated at about 90%. The project road will eventually connect to Sary Tash in the Kyrgyz Republic, and thus to the Osh-Sary Tash-Irkeshtam road corridor. The project is consistent with the country strategy, as it will promote economic growth through infrastructure rehabilitation and will foster regional cooperation. The project will also improve governance through policy reform.</p> <p>b. Goal and purpose: To reduce poverty and increase regional trade and cooperation by rehabilitating the kms 140–217 section of the road linking Dushanbe to the border with the Kyrgyz Republic.</p>								

c. **Components and outputs:** The project will include civil works for rehabilitation of about 77 km of the road from Dushanbe to the Kyrgyz border and about 100 km of rural roads; consulting services for project implementation; and purchase of equipment for road maintenance.

d. **Expected results and deliverables:** Rehabilitation of the Dushanbe–Kyrgyz border road and rural roads; improved road maintenance financing and practices.

e. **Social or environmental issues or concerns:** Environmental and social impacts of the project will be carefully assessed during the PPTA.

f. **Plans for disseminating results/deliverables:** To be determined.

7. Proposed executing/implementing agency or agencies: Ministry of Transport

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The Ministry of Transport and other relevant institutions (including local governments for the rural roads) will be involved in the project design.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2003

b. Expected date of submission for approval
Lending: 2005
Nonlending (project preparatory):
Nonlending (other than project preparatory):

c. Period and duration of assistance
Lending: 2006–2009
Nonlending:

10. Financing Plan

a. For lending
 Ordinary capital resources: \$
 Asian Development Fund: \$23 million
 Other: \$5.75 million (government financing)

If cofinancing is required, indicate amount and sources sought: (to be determined during project processing), from (not yet identified).
If known, provide cost estimates and financing arrangements.

Source	Amount (\$ million)
ADB Financing	23.00
Government Financing	5.75
Other Financing	
Total Cost	28.75

Source: ADB estimates.

b. For nonlending
 No resources required, other than ADB staff
 ADB's administrative budget:
 Other:

If cofinancing is required, indicate amount and sources sought: \$_____, from _____.
If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

ADB = Asian Development Bank, CARs = Central Asian Republics, CSP = country strategy and program, PPTA = project preparatory technical assistance, PRC = People's Republic of China, RCSP = Regional Cooperation Strategy and Program, RETA = regional technical assistance, TA = technical assistance.

**Table A2.2: Regional Gas Transmission Improvement Project (Tajikistan)
Concept Paper**

Date: 23 June 2004

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input checked="" type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input checked="" type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Energy Subsector: Transmission and Distribution</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <p>Themes</p> <table border="0"> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input checked="" type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table> <p>Subtheme(s):</p> <ol style="list-style-type: none"> 1. Fostering physical infrastructure development; 2. Urban environmental improvement; and 3. Cleaner production, control of industrial pollution. 	<input type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input checked="" type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
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<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input type="checkbox"/> Country <input checked="" type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Energy Division, East and Central Asia Department</p>								
<p>5. Responsible ADB officer: E. H. Hassing, Principal Project Specialist</p>								
<p>6. Description of assistances</p> <p>a. Background/linkage to country/regional strategy: Natural gas is the predominant energy source in the CARs, and the extensive pipeline network in the region reflects its importance. However, inadequate infrastructure and lack of financial resources for exploiting natural gas resources and increasing operations are major hurdles to developing these resources for promotion of regional economic growth. Further policy and institutional arrangements need to be introduced and implemented to ensure that intercountry trade in energy, including gas, is consistent with market-oriented principles and practices. The natural gas sector represents a considerable potential for increasing regional cooperation in Central Asia, in particular between Uzbekistan as supplier of (additional) natural gas and Tajikistan as consumer of (additional) natural gas. This will help the</p>								

region export more of its energy, meeting its own energy needs economically and efficiently. Promoting energy trade is a key area of ADB's regional assistance program as endorsed by the governments at the Ministerial Conference held in March 2002.

b. Goal and purpose: The goal is to promote sustained economic growth through regional cooperation between Uzbekistan and Tajikistan by eliminating technical and institutional bottlenecks and other barriers to the efficient operation and flow of natural gas, energy trade, and rational use of the transmission system linking the two countries. The project will encourage efficient natural gas trade between the two countries, and facilitate wider access to modern energy in Tajikistan.

c. Components and outputs: The project will (i) rehabilitate and modernize the existing gas transmission pipeline with a total length of about 115 km from the border with Uzbekistan to Dushanbe and the gas distribution network in Dushanbe; and (ii) improve the policy, institutional, and regulatory environment governing natural gas trade between the two countries.

d. Expected results and deliverables: Increased economic exchange of gas between Uzbekistan and Tajikistan.

e. Social or environmental issues or concerns: Being assessed under ongoing RETA (TA 6023-REG: *Regional Gas Transmission Improvement Project in the Central Asian Republics*)

f. Plans for disseminating results/deliverables: The ADB Web site, regional conferences, and wide circulation among governments and development partners.

7. Proposed executing/implementing agency or agencies: Ministry of Energy of Tajikistan/Tajikgaz

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

Energy is a key focus of ADB regional assistance, confirmed by the participating governments at the Ministerial Conference of March 2002. The Conference also endorsed this project. Further regional consultation meetings are being conducted in connection with the ongoing RETA.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2002

b. Expected date of submission for approval
 Lending: 2005
 Nonlending (project preparatory):
 Nonlending (other than project preparatory):

c. Period and duration of assistance
 Lending: 2005–2009
 Nonlending:

10. Financing Plan

- a. For lending
- Ordinary capital resources: \$
 - Asian Development Fund: \$9.8 million
 - Other: \$2.45 million (government financing)

If cofinancing is required, indicate amount and sources, and amount sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$ million)
ADB Financing	9.80
Government Financing	2.45
Other Financing	0.00
Total Cost	12.25

Source: ADB consultants.

- b. For nonlending
- No resources required, other than ADB staff

- ADB's administrative budget: \$
- Grant TA funds
- Other: If cofinancing is required, indicate amount and sources, and amount sought: \$____, from

_____.

If known, provide cost estimates and financing arrangements.

(e.g., total cost, ADB financing, other financing, and government financing):

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

ADB = Asian Development Bank, CARs = Central Asian republics, CSP = country strategy and program, RETA = regional technical assistance, RCSP = Regional Cooperation Strategy and Program, TA = technical assistance.