

COUNTRY AND PORTFOLIO INDICATORS, AND ASSISTANCE PIPELINE

Table A1.1: Progress Toward the Millennium Development Goals and Targets

Goals and Targets	Country Status
<p>Goal 1: Eradicate Extreme Poverty and Hunger</p> <p>Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than \$1/day.</p> <p>Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger.</p>	<p>Status, Trends, and Targets</p> <p>Using the Family Budget Survey, the World Bank's Living Standards Assessment (LSA) estimates that in 2000/01, 27.5% of the population were unable to meet basic consumption needs and that approximately one third of all poor households could be classified as extremely poor. Many people are clustered around the poverty line. Comparable time series data for poverty incidence using the food poverty line methodology are not available.</p> <p>The proportion of undernourished in the total population average for the years 1999/2001 was 26% according to the <i>Human Development Report</i> (HDR) 2004. The percentage of underweight and stunted children under age 5 in 2002 was 19% and 31%, respectively, according to UNICEF.</p> <p>In a departure from past practice, poverty (or "low income group" in official parlance) reduction is now acknowledged to be a challenge in the Comprehensive Strategy for the Improvement of Living Standards of the People of Uzbekistan (LSS) prepared by the Government with the Asian Development Bank (ADB) assistance. The LSS document provides Uzbekistan's development partners with the Government's vision of how living standards of the populace can be improved. No targets, however, have yet been set for poverty reduction outcomes. Preparation of the interim poverty reduction strategy paper, the next step in the process, is expected to build on the LSS, with particular attention to prioritization, identification of monitorable indicators focusing on outcomes, and resource implications.</p> <p>Challenges to Achieving the Goal</p> <p>Achieving a significant reduction in the incidence of income poverty will require higher growth than in the past, coupled with larger employment multipliers.</p> <p>Supportive Environment</p> <p>There is scope for improving the environment for pro-poor growth. Uzbekistan has adopted a "gradualist" approach to transition with continued significant state involvement in major spheres of the economy. There is need for an enabling environment for employment creation and diversified private sector-led growth. There is also scope for making public spending more pro-poor, particularly in the social sectors, by adjusting the composition of such spending. Broad-based support for the transition process can be fostered through improved transparency in information sources and decision-making.</p>
<p>Goal 2: Achieve Universal Primary Education</p> <p>Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.</p>	<p>Status, Trends, and Targets</p> <p>Uzbekistan has maintained a high net primary enrollment ratio (99.6%) over the period 1995–2000. Attendance rates in basic education, particularly in the poorer regions of the country are, however, a cause for concern. National targets for basic education set out in the LSS are in terms of inputs rather than outcomes.</p> <p>Challenges to Achieving the Goal</p> <p>Demographic changes suggest that the 5–14-year cohort will shrink up to 2010 and grow thereafter, providing Uzbekistan with an opportunity to eliminate regional disparities in the quality of basic education and to improve learning outcomes.</p>

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Table A1.1—Continued

Goals and Targets	Country Status
	<p>Supportive Environment Public spending on education has been relatively high, but there is scope for addressing equity and quality concerns. In May 2004, the Government outlined a 5-year road map for reforming basic education signifying a refocus from secondary and vocational education under the National Program for Personnel Training. Reform of basic education needs to take place in the context of an outcome-focused framework with established sources of financing as well as coherence and consistency in implementation.</p>
<p>Goal 3: Promote Gender Equality and Empower Women</p> <p>Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015.</p>	<p>Status, Trends, and Targets Uzbekistan has almost achieved gender equality of enrollment in basic education (grades 1–9) but gender inequality is more pronounced at the senior secondary and university levels. There is also a gender gap in the labor market. The share of women in wage employment in the nonagriculture sector fell from 43.5% in 1995 to 37.9% in 2001.</p> <p>The proportion of seats held by women in the Oliy Majlis (Parliament) increased marginally from 6% in 1995 to 7% in 2002. In 1991 there was only one women's nongovernment organization (NGO)—the Business Women's Association. Currently, there are 40–50 women's NGOs in Uzbekistan.</p> <p>The LSS includes, as one of its objectives, the achievement of gender equality and the full participation of women in public and economic processes.</p> <p>Challenges to Achieving the Goal Closing gender gaps at higher levels of education and in the labor market will need implementation of gender-sensitive policies and interventions combined with efforts to address societal attitudes to women's roles.</p> <p>Supportive Environment In 1997, the Women's Committee developed and adopted the National Action Plan for the Improvement of the Status of Women of Uzbekistan. The twin objectives of the Plan are to improve women's status in Uzbekistan and to enhance their role in society. The Government also passed a Family Code (1998) to bring the existing family law into compliance with these international conventions and declarations. Women can be better served by improved enforcement of relevant laws.</p>
<p>Goal 4: Reduce Child Mortality</p> <p>Target 5: Reduce by two thirds, between 1990 and 2015, the under-5 mortality rate.</p>	<p>Status, Trends, and Targets The infant mortality rate (IMR) reported by the Ministry of Health at 16.5 per 1,000 live births in 2002 is much lower than survey data and international assessments due to definitional differences. Alternative estimates indicate that the IMR at 55 deaths per 1,000 live births in 2002 has remained largely unchanged since 1990. The target for IMR in the LSS is to reduce it from 16.4 per 1,000 live births in 2003 to 15 per 1,000 live births by 2010.</p> <p>Challenges to Achieving the Goal The IMR and under-5 mortality rate differentials between rural and urban areas and between the poor and nonpoor need to be closed by improving the quality and affordability of maternal and child health services, particularly in rural areas. Improving maternal knowledge and access to safe drinking water and sanitation will also be needed to reduce child mortality.</p>

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Table A1.1—Continued

Goals and Targets	Country Status
	<p>Supportive Environment The Government initiated health sector reforms in 1998, which included more investment in primary health care and a larger role for private health care providers. In 2002, programs to improve maternal and child health care were announced, including integrated management of childhood illnesses. There is, however, scope for orienting public spending to better address the health needs of the poor.</p>
<p>Goal 5: Improve Maternal Health</p> <p>Target 6: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio.</p>	<p>Status, Trends, and Targets According to official statistics, the maternal mortality ratio (MMR) fell from 65 per 100,000 live births in 1991 to 20.7 in 1996 but then rose to 34.1 per 100,000 live births in 2001. The target for the MMR in the LSS is to reduce it to 28 per 100,000 live births by 2010. Informal estimates, as well as international assessments, however, suggest that the actual level of MMR is much higher.</p> <p>Challenges to Achieving the Goal The challenge in reducing MMR will be to strengthen the referral system and improve knowledge on maternal health, particularly among poor rural households.</p> <p>Supportive Environment The Government is committed to improving the quality of maternal health services and strengthening emergency services. However, maternal and child health services are currently fragmented. They need to be rationalized and integrated within the broader health system framework.</p>
<p>Goal 6: Combat HIV/AIDS, Malaria, and Other Diseases</p> <p>Target 7: Have halted by 2015, and begun to reverse, the spread of human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS).</p> <p>Target 8: Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases.</p>	<p>Status, Trends, and Targets There has been a steep rise in reported HIV infections in Uzbekistan in the last 2 years. As of 1 June 2003, the total number of HIV/AIDS sufferers in the country was 2,364, according to the AIDS Center of the Health Ministry of Uzbekistan. Reducing the speed of HIV/AIDS expansion is identified as one of the priorities of the LSS.</p> <p>Malaria reemerged in Uzbekistan in 1999. According to the World Health Organization (WHO), the malaria situation is aggravated by the increased migration of people between Uzbekistan and Tajikistan. The incidence of tuberculosis has risen sharply since 1994. In 2002, the prevalence rate per 100,000 population was 134. WHO has reported that the dominant component of tuberculosis morbidity is active tuberculosis of the respiratory organs, especially among the inhabitants of Karakalpakstan, who have moved to the environmental disaster area of the Aral Sea.</p> <p>Challenges to Achieving the Goal Halting the spread of HIV/AIDS will depend, among other things, on focusing on vulnerable groups, particularly women and youth, combating stigma and discrimination based on HIV status, strong coordination and monitoring mechanisms, behavior change communication activities, and screening for HIV in blood banks.</p> <p>A major challenge for tuberculosis control is multidrug-resistant tuberculosis.</p> <p>Challenges facing national malaria control programs include enhancing capacities for early diagnosis, malaria surveillance at the grassroots level, and adequate investment in malaria control.</p>

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Table A1.1—Continued

Goals and Targets	Country Status
	<p>Supportive environment A National Strategic Plan for HIV/AIDS, prepared with technical assistance from the United Nations, was recently approved. Encouraging HIV/AIDS programs by NGOs and enhancing the capacity for monitoring and evaluation of HIV/AIDS-related activities is essential. The Government is implementing a tuberculosis control program and developing malaria control capacity with external assistance.</p>
<p>Goal 7: Ensure Environmental Sustainability</p> <p>Target 9: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.</p> <p>Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water.</p> <p>Target 11: By 2020, achieve a significant improvement in the lives of at least 100 million slum dwellers.</p>	<p>Status, Trends, and Targets The principles were integrated in the 1999–2005 State Program of Environmental Protection and Rational Use of Natural Resources up to 2005, as well as in the National Environmental Action Plan (NEAP), National Climate Change Report, and National Desertification Action Plan.</p> <p>The proportion of the population with access to potable water stood at 94% (urban) and 79% (rural), respectively in 2000.</p> <p>There are no official records of slum dwellers in the country.</p> <p>Challenges to Achieving the Goal Challenges in ensuring environmental sustainability include expanding access to clean drinking water and sanitation, tackling degradation of land and water quality and more broadly undertaking needed reforms in the agriculture sector, and reducing energy use intensity.</p> <p>Supportive Environment The Government has adopted the Program of Actions on Environment Protection in the Republic of Uzbekistan for 1999–2005 based on the NEAP. There is scope for strengthening the linkage between the program and the legal framework, to improve coordination among environmental agencies, and to strengthen the environmental information management system.</p>

Sources: ADB. 2003. *Key Indicators 2003*. Manila; World Bank. 2003. *Uzbekistan Living Standards Assessment*; World Bank. *Millennium Development Goals Database*. Available: <http://devdata/worldbank.org/idg/IDGProfile.asp?CCODE=UZB&CNAME=Uzbekistan> & Selected Country; United Nations Development Programme (UNDP). 2003. *Linking Macroeconomic Policy to Poverty Reduction*; UNDP. 2002, 2003 & 2004. *Human Development Report*. New York; FAO. 2002. *State of Food Insecurity in the World*; United Nations. *Millennium Indicators Database*. Available: http://millenniumindicators.un.org/nnsd/mi/mi_goals.asp; UNICEF TransMONEE Database; UNAIDS *Factsheet 2003*. Available: http://www.unaids.org/bangkok_2004/factsheets.html; WHO. *Highlights on Health in Uzbekistan*; UNICEF. December 2003. *The State of the World's Children 2004*. New York; United Nations Environment Programme. *State of Environment in Uzbekistan*. Available: <http://grida.no/enrin/htmls/uzbek/soe2/english/>; FAO. 2003. *State of the World's Forests*.

Table A1.2: Country Economic Indicators

Item	Fiscal Year				
	1999	2000	2001	2002	2003 (p)
A. Income and Growth					
1. GDP per Capita (\$, current)	650	630	560	460	420
2. GDP Growth (% in constant prices)	4.3	3.9 [3.2] ^a	4.2[4.1] ^a	4.2[3.1] ^a	4.4[1.5] ^a
a. Agriculture	5.5	3.2	4.1	6.1	5.9
b. Industry	1.2	1.3	2.7	3.6	2.8
c. Others ^b	4.7	4.9	4.6	3.5	4.1
B. Saving and Investment (current and market prices, % of GDP)					
1. Gross Domestic Investment	17.1	19.6	21.1	21.8	20.8
2. Gross National Saving	17.3	19.4	20.0	22.4	26.7
C. Money and Inflation (annual change)					
1. Consumer Price Index (end of period)	26.0	28.2[48.5] ^a	26.5[58.2] ^a	21.6[24.4] ^a	3.8[7.7] ^a
2. Total Liquidity (M2)	32.1	37.1	54.3	29.7	27.1
D. Government Finance (% of GDP)					
1. Revenue and Grants	38.6	36.8	34.5	35.7	34.0
2. Expenditure and Onlending	40.9	38.9	36.0	37.2	34.5
3. Overall Fiscal Surplus (Deficit) ^e	(3.0)	(2.5)	(1.3)	(1.9)	0.1
E. Balance of Payments					
1. Merchandise Trade Balance (% of GDP)	1.2	3.7	1.6	3.4	8.4
2. Current Account Balance (% of GDP)	(0.8) ^c	1.6 ^c	(1.0) ^c	1.2 ^c	8.9 ^c
3. Merchandise Export (\$) Growth (annual % change)	(8.5)	5.2	(6.6)	(8.4)	29.1
4. Merchandise Import (\$) Growth (annual % change)	(11.9)	(5.6)	4.6	(14.4)	10.0
F. External Payments Indicators					
1. Gross Official Reserves (including gold, \$ million)	1,242	1,273	1,212	1,215	1,659
In months of current year's imports of goods	5.8	6.3	5.7	6.7	8.3
2. External Debt Service (% of exports of goods and services)	15.4	25.7	25.8	23.4	22.0
3. Total External Debt ^d (% of GDP)	20.1	27.0	33.2	41.3	38.5
G. Memorandum Items					
1. GDP (current prices, SUM billion)	2,128.7	3,255.6	4,925.3	7,450.2	9,664.1
2. Exchange Rate (SUM/\$, average)	125	237	423	772	971
3. Population (million)	24.31	24.65	24.96	25.27	25.56

GDP = gross domestic product, p = preliminary.

^a International Monetary Fund estimates.

^b Includes (i) transport and communications, (ii) construction, (iii) trade, and (iv) other services. Base year is 1995.

^c Officially reported saving-investment balance does not equal the officially reported current account balance.

^d Government debt and government-guaranteed debt.

^e Consolidated budget balance, includes the operations of the extra budgetary funds and statistical discrepancies.

Sources: Uzbekistan authorities, International Monetary Fund, World Bank.

Table A1.3: Country Poverty and Social Indicators

Item	Period	
	1990	Latest Year
A. Population Indicators		
1. Total Population (million)	20.4	25.6 (2003)
2. Annual Population Growth Rate (% change)	2.2	1.9
B. Social Indicators		
1. Total Fertility Rate (births/woman)	4.0	2.5 (2002)
2. Maternal Mortality Rate (per 100,000 live births)	65.0 (1991)	34.1 (2001)
3. Infant Mortality Rate (below 1 year per 1,000 live births)	55.0	55.0 (2002)
4. Life Expectancy at Birth (years)	69.0 (1995)	69.5 (2002)
a. Female	72.0 (1995)	72.4 (2002)
b. Male	66.0 (1995)	66.7 (2002)
5. Adult Literacy (%)	98.7	99.3 (2002)
a. Female	98.0 (1995)	98.9 (2002)
b. Male	100.0 (1995)	99.6 (2002)
6. Primary School Net Enrollment (%)	99.5	99.6 (2000)
7. Secondary School Gross Enrollment (%)	—	—
8. Child Malnutrition (% below age 5)	—	19.0 (1995/2002) ^a
9. Population Below Poverty Line (%)	—	—
10. Population with Access to Safe Water (%)	—	85.0 (2000)
11. Population with Access to Sanitation (%)	—	89.0 (2000)
12. Public Education Expenditure (% of GDP)	—	6.7 (2000)
13. Human Development Index	0.695	0.709 (2002)
Rank	80.0	107 (2002)
14. Gender-Related Development Index	—	0.705 (2002)
Rank	—	85.0 (2002)
C. Poverty Indicators		
1. Poverty Incidence	—	27.5 (2000/01)
2. Percent of Poor to Total Population	—	—
3. Poverty Gap	—	—
4. Poverty Severity Index	—	—
5. Inequality (Theil L Index)	—	—
6. Human Poverty Index	—	—
Rank	—	—

— = not available, GDP = gross domestic product.

^a Data refer to children underweight for the age. Refers to the most recent year available during the period specified.

Sources: Uzbekistan authorities; International Monetary Fund; World Bank; World Health Organization; United Nations Development Programme. *Human Development Reports* (1993, 2001, 2002, 2003, and 2004). New York; UNICEF. *At a Glance: Uzbekistan*. Available: http://www.unicef.org/infobycountry/Uzbekistan_statistics.html; UNICEF. 2000. *Multiple Indicator Cluster Survey*.

Table A1.4: Country Environment Indicators

Indicator	Latest Year
A. Energy Efficiency of Emissions	
1. GDP/Unit of Energy Use (PPP\$/kgoe)	0.7 (2001)
2. Traditional Fuel Use (% of total energy use)	4.2 (2001)
3. Carbon Dioxide Emissions	4.8 (2000)
B. Water Pollution: Water and Sanitation	
1. % Urban Population with Access to Safe Water	94.0 (2000)
2. % Rural Population with Access to Safe Water	79.0 (2000)
3. % Urban Population with Access to Sanitation	97.0 (2000)
4. % Rural Population with Access to Sanitation	85.0 (2000)
C. Land Use and Deforestation	
1. Forest Area (million hectares)	20.0 (2000)
2. Average Annual Deforestation	(0.2) (1990–2000)
3. Rural Population Density (people/km ² of arable land)	352.0 (2002)
4. Arable Land (% of total land)	67.0 (2001)
5. Permanent Cropland (% of total land)	88.6 (2001)
D. Biodiversity and Protected Areas	
1. Nationally Protected Area (% of land area)	2.0(2003)
2. Mammals (number of threatened species)	9 (2002)
3. Birds (number of threatened species)	9 (2002)
4. Higher Plants (number of threatened species)	1 (2002)
5. Reptiles (number of threatened species)	—
6. Amphibians (number of threatened species)	—
E. Urban Areas	
1. Urban Population	36.7 (2002)
2. Freshwater Withdrawal (% of total water resources)	50.8 (2000)
3. Wastewater Treated (%)	—
4. Solid Waste Generated per Capita (kg/day)	—

— = not available, GDP = gross domestic product, kg = kilogram, kgoe = kilograms of oil equivalent, km² = square kilometer, PPP = purchasing power parity.

Sources: World Bank. *The Little Green Data Book* (2003 and 2004). Washington, DC.; World Resources Institute. *Biodiversity and Protected Areas-Country Profile Uzbekistan*. Available: <http://earthtrends.wri.org/text/biodiversity-protected/country-profile-192.html>.

Table A1.5: Development Coordination Matrix

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Agriculture and Natural Resources	<p>Strategy: Two-track approach: development of projects (i) to support government reform initiatives and demonstrate the efficacy of reforms; and (ii) arrest deterioration in rural living standards through sustainable rehabilitation of agriculture and water infrastructure, and through land improvement.</p> <p>Activities:</p> <ul style="list-style-type: none"> - Approved: <ul style="list-style-type: none"> Loans: <ul style="list-style-type: none"> Ak Altin Agricultural Development (2001). Grain Productivity Improvement with attached technical assistance (TA) (2003). Amu Zhang Irrigation Rehabilitation with attached TA (2003). ADTA: <ul style="list-style-type: none"> Pilot Testing of Rural Savings and Credit Union Development (2001). Institutional Support for Sustainable Agricultural Development. Furthering Reforms in the Grain sector. Support to Policy and Institutional Reforms in water sector. Agriculture Sector Review and Planning (2004). - Planned: <ul style="list-style-type: none"> First Land Improvement Project (2005). Development of Market Infrastructure for Private Farms (2006). 	<p>World Bank: The strategy is to maintain and improve the efficiency of the country's irrigation and drainage infrastructure. Two projects are under implementation: Rural Enterprise Support (2001) and Drainage, Irrigation and Wetlands Improvement Phase I (2003). The Karshi Pumping Cascade Rehabilitation Phase and Drainage Project has been dropped. The Cotton Subsector Improvement Project (1995) has been completed.</p> <p>IFC: Dairy Sector Supply Chain Development (planned).</p> <p>EBRD: Support for agribusinesses through small and medium enterprise (SME) credit lines.</p> <p>EU/TACIS: Development of the rural economy is one of three priority areas of EU assistance to Uzbekistan. The project for the development of the rural economy (2002) supports the development of nonfarming-related agricultural enterprises. The pilot Agriculture Information System and Pilot Agriculture Wholesale Market (2000) Project has helped improve farmers' incomes and opportunities for trade.</p> <p>USAID: Priorities include irrigation network management and on-farm water management activities including the development of viable water user associations (WUAs) capable of managing water at the local level.</p>
Energy	<p>Strategy: Encourage regional trade in energy.</p> <p>Activities:</p> <ul style="list-style-type: none"> - Approved: <ul style="list-style-type: none"> Loans: <ul style="list-style-type: none"> Regional Power Transmission Modernization Project (2002) with EBRD cofinancing. ADTA: <ul style="list-style-type: none"> Energy Needs Assessment (2002). Off-grid Renewable Energy Development (2003). 	<p>EBRD: The strategy is to promote trade among Central Asian states leading to greater efficiency of power generation resulting in lower costs of power for consumers in these countries. Also, EBRD will consider support for energy-saving projects in the areas of district heating, power, and selected manufacturing enterprises. It will invest in improved metering of gas, electricity, heat, and hot water to push for tariff adjustments toward full cost recovery.</p>

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Table A1.5—Continued

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<p>- Planned: Regional Gas Transmission (Standby 2006).</p>	<p>Approved projects: Andijan District Heating (2001). Ferghana Refinery (1997). Syrdarinskaya Power Plant (1997). Pipeline: Tashkent Heating Modernization Programme. JBIC: Tashkent Thermal Power Plan Modernization (2002).</p>
Transport	<p>Strategy: Development of regional transport corridors and easing of unnecessary barriers to trade and traffic. Activities: - Approved: Loans: Railway Rehabilitation (1998). Railway Modernization (2001). ADTA: Building Project Implementation Capacity of Uzbekistan Railways. Institutional Strengthening of Uzbekistan's Railway Company. Institutional Strengthening and Policy Support to the Road Sector. Facilitating Development of the Railway Sector. Central Asia: Reassessment of the Regional Transport Sector Strategy. - Planned: Regional Railways Rehabilitation Project (2005).</p>	<p>EBRD: The strategy is to support rehabilitation of existing transport assets and development of new market-oriented transport links, in particular with the railways sector. Approved: Tashkent Airport (1997). Uzbek Railways freight traction renewal and management (1999). Locomotive Repowering (2001). JBIC: Railway Passenger Transport Improvement Project. World Bank: Urban transport project.</p>
Rural Water Supply and Sanitation	<p>Strategy: Support the Government's water supply program, encourage water conservation, and build capacity. Activities: - Approved: Loans: Western Uzbekistan Rural Water Supply (2002). - Planned: Kashkadarya and Navoi Rural Water Supply (2005).</p>	<p>World Bank: The strategy is to improve efficiency of resource use in social infrastructure. Rural water supply and sanitation (1997). KfW: Rural Water Supply Project (\$10 million) in Karakalpakstan and Khorezm Drinking Water Supply (\$9 million) in Khorezm province. UNDP: Emergency Actions to Mitigate the Consequences of the Drought in Karakalpakstan (Phases I & II).</p>

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TABLE A1.5—Continued

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
Urban/Municipal Services	<p>Strategy: Address governance and decentralization issues, particularly for the sustainable provision and management of communal services; address environmental and conservation issues relating to this sector.</p> <p>Activities:</p> <ul style="list-style-type: none"> - Approved: Loans: Urban Water Supply (2001). ADTA: Capacity Building for Urban Water Supply (2001). 	<p>World Bank: Strategy to improve the efficiency of municipal infrastructure and services.</p> <p>Bukhara-Samarkand Water Supply (2002). Tashkent Solid Waste Management Project (1998).</p> <p>EBRD: Tashkent Solid Waste Management Project (1998).</p> <p>KFAED: Nukus and Urgench Water Supply Improvement Project.</p> <p>Gov't. of France: Installation of the Water Treatment Units in Muynak town.</p> <p>Gov't. of Switzerland: Nukus Sewerage System Rehabilitation Project.</p>
Education	<p>Strategy: Support efforts to improve the quality of education, raise system efficiency, and strengthen national capacities to manage sector reforms. The Asian Development Bank (ADB) is the lead international funding agency in the sector.</p> <p>Activities:</p> <ul style="list-style-type: none"> - Approved: Loans: Basic Education Textbook Development. Senior Secondary Education. Education Sector Development Program. ADTA: Monitoring the Implementation of Education Reform. Capacity Building in Education Finance. Capacity Building of the Center for Senior Secondary Education. Assessment of Regional and School Management. Structure and Capacity for Senior Secondary Education. Review of Senior Secondary Education System. - Planned: Second Textbook Development (2004). Science and ICT in Basic Education (2006). 	<p>JBIC: Senior Secondary Education project (2001). Support to selected professional colleges and academic lyceums (grades 10–12) mainly through provision of equipment</p> <p>USAID: Basic Education Sector Strengthening Program (2003) focusing on in-service training; classroom-level learning materials and textbook development; parent and community involvement in education decision making, management, and technical capacity at all levels of the education system; and rehabilitation of school infrastructure.</p> <p>GTZ: Support for adult education and vocational education.</p>
Health	<p>Strategy: To improve access to and the quality of maternal and child health services.</p>	<p>World Bank: Health I: Primary health care, health management information system, health care financing, capacity building.</p> <p>WHO: Primary health care, vaccination and immunization.</p>

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Table A1.5—Continued

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<p>Activities: Grant assistance to Uzbekistan for Improving Nutrition to Poor Mothers and Children (2001).</p> <p>- Planned: Woman and Child Health Development (2004).</p>	<p>UNICEF: Primary health care, safe motherhood, human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) awareness, salt iodization.</p> <p>USAID: Rural primary health care, mother and child health, infectious diseases control, HIV/AIDS control and prevention, health management education.</p> <p>USAID: Rural primary health care, mother and child health, infectious diseases control, HIV/AIDS control and prevention, health management education.</p> <p>Gov't. of Spain: Technical equipping of the Republican Center for Emergency Medical Aid.</p> <p>Gov't. of Switzerland: Drug addiction.</p> <p>JICA: Grant assistance includes (i) a study on the restructuring of health and medical system in Uzbekistan, (ii) baseline survey, and (iii) formulation of the basic strategies and master plan.</p> <p>UNFPA/UNDP/UNODC/UNAIDS: Reproductive health services, drug-related morbidity and mortality.</p> <p>EU-TACIS: Preventive health care</p> <p>GTZ: Family planning</p> <p>KfW: Tuberculosis, reproductive health, contraceptives</p> <p>KOICA: Overseas medical training</p> <p>DFID: Capacity building for GP training and education program, TA for medical education, nursing education</p>
<p>Private Sector Development</p>	<p>Strategy: Facilitating the development of small and medium businesses, especially in the rural areas and develop microcredit institutions including credit unions.</p> <p>Activities:</p> <p>- Approved:</p> <p>Loans: Rural Enterprise Development (1996). Small and Medium Enterprise Development (2000). Small and Microfinance Development (2002).</p> <p>ADTA: Development of Capital Market (2003). Strengthening the Legal and Policy Framework for Foreign Investment (2003).</p>	<p>EBRD: Credit lines with local banks and projects under direct investment facility. Public sector lending comprises investment in leasing targeting SMEs.</p> <p>IFC: Financial sector capacity building, promotion of SMEs, participation in privatization of strategic sectors.</p> <p>World Bank: Enterprise Institution Building (1998); Financial Institution Building (1999).</p> <p>USAID: Trade facilitation and investment (2003), support for WTO accession, business information, and skills.</p> <p>UNDP: Microcredit programs for sustainable income generation.</p> <p>GTZ: Establishment of investment and development bank.</p>

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Table A1.5—Continued

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<p>Institutional Strengthening of National Bank of Uzbekistan (1996). Developing Commercial Banking Skills (1998). Pension Reform (1998). Strengthening the Banking Sector (1999). Development of the Insurance Industry (2000). Supporting Small and Microfinance Development Facility (2002). Institutional Strengthening of the State Committee on Monopolization and Competition Development (2003). Enterprise Restructuring and Corporate Governance (2002). Developing a Management Information System for Uzbek Telecom (2002).</p> <p>- Planned: Private Sector Assessment (to be completed in 2004). Financial Sector Assessment (to be completed in 2004). Third SME Development (2006)</p>	
Governance	<p>Activities: Country Governance Assessment (to be completed in 2004).</p>	<p>World Bank: Public Finance Management (proposed). Open Society: Local governance program—support to community forums in <i>mahallas</i>, establishment of information resource centers. NOVIB: Implementing the project on NGO capacity building for providing the poor with access to justice (2000).</p>
Poverty Reduction	<p>Strategy: Support sustainable reduction in poverty and improvements in living standards by creating income opportunities and sustaining human development and social protection, especially in rural areas. Activities: All ADB interventions aim to reduce poverty and improve living standards.</p>	<p>World Bank: Living standards assessment report</p>
Gender and Development	<p>Strategy: Address gender biases in schooling and skills development. Activities: Crosscutting gender concerns are incorporated into ADB's two ongoing education projects, Amu Zhang Irrigation Rehabilitation, Grain Productivity Improvement, Ak Altin Agriculture Development, Western Uzbekistan Rural Water</p>	<p>World Bank: Within the Small Grants Program funded by the Development Grant Facility the following gender and development (GAD) projects were approved in 2004: IKBOL Youth Center (Tashkent) to continue the project on educating soldiers on gender issues; TONG NGO (Tashkent) for the project dealing with human trafficking issues; FIDO Women's</p>

Continued on next page

Table A1.5—Continued

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
	<p>Supply projects, as well as a Microfinance Development and JFPR's Innovative Uzbekistan Resident Mission since October 2000 under RETA Poverty Reduction in Karakalpakstan projects. A national gender consultant has been working in ADB's 5835/6092 for gender development. Planned activities for 2003–2005 that would have significant gender development components include the Woman and Child Health Development Project, two education and one health development projects, a river basin rehabilitation project, and a TA for Strengthening the Business Women's Association.</p> <p>- Planned: Woman and Child Health Development (2004).</p>	<p>Association (Tashkent <i>oblast</i>) to run public awareness campaign on children's disability; YANGI KHAYOT Women's Center (Khorezm <i>oblast</i>) to conduct seminars on gender issues in remote settlements. Series of GAD videoconferences were conducted within the Global Development learning network (GDLN) in 2003–2004 for the main GAD counterparts.</p> <p>NOVIB. Implementing the project on social, legal and economical support of women forms low-incomes.</p> <p>JICA supports a project called Business Course for Women in 12 <i>Rayons</i> of Tashkent Region. The overall goal of the project is the increase of domestic income of women in rural areas by providing them with training on business planning, management of small businesses, legal aspects of small businesses, and psychology of entrepreneurship.</p> <p>Mercy Corps supports 12 development programs in Uzbekistan, four of which contain gender-specific components: Barakot microfinance project assisting women entrepreneurs in increased income generation and promoting gender equity; Sewing and Marketing Skills for Young Women Project, which benefits young women in rural communities by providing start-up equipment and materials, training and business development services to increase their household incomes; Women as Leaders in Water Resource Management Project, which strengthens the role of women in the management of recently constructed potable water systems in 5 communities in the Ferghana Valley to ensure long-term sustainability; Women's Barkamol Ayol Empowerment Program that led to the establishment of two women's NGOs and developed the leadership skills of women through training designed to build self-confidence among women, and promoting gender equity and women's rights.</p>
Environment	Strategy: Support for reducing air and water pollution, encouraging water conservation, protecting soil resources, and promoting solid waste management.	World Bank: Aral Sea-GEF-Water and Environmental Management Project

Continued on next page

Table A1.6: Portfolio Indicators—Portfolio Amounts and Ratings
(public sector loans, as of 31 December 2003)

Sector	Net Loan Amount		Total		Rating ^a											
					Highly Satisfactory		Satisfactory		Partly Satisfactory		Unsatisfactory		Potential Problem ^b		At Risk ^c	
	\$ million	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	(%)
Agriculture and Natural Resources	135.2	20.1	3	21.4			3	100.0								
Energy	70.0	10.4	1	7.1							1	100.0			1	100.0
Finance	70.0	10.4	2	14.3			1	50.0			1	50.0			1	50.0
Industry and Nonfuel Minerals																
Multisector Others																
Social Infrastructure	259.0	38.4	6	42.9			5	83.3	1	16.7					1	16.7
Transport and Communications	140.0	20.8	2	14.3			2	100.0								
Total	674.2	100.0	14	100.0			11	78.6	1	7.1	2	14.3			3	21.4

No. = number.

^a One rating for implementation progress and development objectives, based on the lower rating of either.

^b Potential problem loans are satisfactory loans but have four or more risk factors associated with partly satisfactory or unsatisfactory performance.

^c A loan is "at risk" if it is rated as partly satisfactory, as unsatisfactory, or as a potential problem.

Source: Asian Development Bank estimates.

Table A1.7: Portfolio Indicators—Disbursements and Net Transfers of Resources
(public sector loans, as of 31 December 2003)

Disbursements and Transfers	OCR	ADF	Total^b
Disbursements^a			
Total Funds Available for Withdrawal (\$ million) ^c	481.2	19.5	500.6
Disbursed Amount (\$ million, cumulative)	130.8	16.3	147.1
Percentage Disbursed (disbursed amount/total available)	27.2	83.8	29.4
Disbursements (\$ million, latest year)	42.9	3.3	46.3
Disbursement Ratio (%) ^d	10.8	55.1	11.5
Net Transfer of Resources (\$ million)			
1999	15.6	0.1	15.7
2000	55.4	1.2	56.6
2001	26.0	4.4	30.5
2002	9.6	6.7	16.3
2003	29.0	3.2	32.2

ADF = Asian Development Fund, OCR = ordinary capital resources.

^a Includes ongoing loans and loans closed during the year with disbursements.

^b The figures may not add up to total due to rounding.

^c Includes ongoing loans and closed loans during the year with disbursements and excluding loans not yet effective.

^d Ratio of disbursements during the year over the undisbursed net loan balance at the beginning of the year less cancellations during the year. Effective loans during the year have also been added to the beginning balance of undisbursed loans.

Source: Asian Development Bank estimates.

Table A1.8: Portfolio Implementation Status
(public sector loans, as of 31 December 2003)

No.	Sector	Loan No.	Seg	Title	Net Loan Amount		Approval Date	Effective Date	Closing Date		Progress (% complete)
					OCR (\$ million)	ADF (\$ million)			Original	Revised	
1.	SOC	1595		Basic Education Textbook Development		19.5	17 Dec 97	14 Aug 98	30 Jun 03	31 Mar 04	95
2.	T&C	1631		Railway Rehabilitation	70.0		15 Sep 98	23 Feb 99	31 Dec 03		65
3.	SOC	1737		Senior Secondary Education	57.0		08 Feb 00	01 Feb 01	30 Jun 05		60
4.	T&C	1773		Railway Modernization	70.0		31 Oct 00	21 Sep 01	31 Dec 05		10
5.	FIN	1799		Small and Medium Enterprise Development	50.0		11 Dec 00	18 Oct 01	18 Oct 06		
6.	AGR	1833		Ak Altin Agricultural Development	36.0		23 Aug 01	19 Apr 02	31 Mar 07		19
7.	SOC	1842		Urban Water Supply	36.0		27 Sep 01	24 Jul 02	30 Jun 07		15
8.	SOC	1903		Western Uzbekistan Rural Water Supply	38.0		02 May 02	09 Jun 03	31 Mar 06		10
9.	SOC	1960		Education Sector Development Program	70.0		06 Dec 02	22 Oct 03	30 Jun 06		
10.	SOC	1961		Education Sector Development Project	38.5		06 Dec 02	22 Oct 03	30 Jun 08		
11.	FIN	1963	3	Small and Microfinance Development	20.0		09 Dec 02		31 Dec 10		
12.	ENE	1976		Uzbekistan: Regional Power Transmission Modernization	70.0		17 Dec 02		30 Jun 08		
13.	AGR	2017	2	Grain Productivity Improvement	26.0		14 Nov 03		31 Mar 09		
14.	AGR	2069		Amu Zang Irrigation Rehabilitation	73.2		19 Dec 03		30 Sep 09		
Total					654.7	19.5					

ADF = Asian Development Fund, AGR = agriculture and natural resources, ENE = energy, FIN = finance, No. = number, OCR = ordinary capital resources, Seg = segment (pertaining to loans with more than one withdrawal authority), SOC = social infrastructure, T&C = transport and communications.

Source: Asian Development Bank estimates.

Continued on next page

Table A1.8—Continued

No.	Sector	Loan No.	Seg	Title	Cumulative Contracts/ Commitments (\$ million)	Cumulative Disbursements (\$ million)	Rating		Potential Problem ^a	At Risk ^b
							IP	DO		
1.	SOC	1595		Basic Education Textbook Development	16.9	16.3	S	S	No	No
2.	T&C	1631		Railway Rehabilitation	63.5	59.9	S	S	No	No
3.	SOC	1737		Senior Secondary Education	28.3	11.4	S	S	No	No
4.	T&C	1773		Railway Modernization	17.9	0.7	S	S	No	No
5.	FIN	1799		Small and Medium Enterprise Development	48.2	29.1	S	S	No	No
6.	AGR	1833		Ak Altin Agricultural Development	6.8	6.8	S	S	No	No
7.	SOC	1842		Urban Water Supply	2.5	1.4	S	S	No	No
8.	SOC	1903		Western Uzbekistan Rural Water Supply	0.0	0.5	S	S	No	No
9.	SOC	1960		Education Sector Development Program	0.0	0.7	S	PS	No	Yes
10.	SOC	1961		Education Sector Development Project	0.6	0.6	S	S	No	No
11.	FIN	1963	3	Small and Microfinance Development	0.0	0.0	U	S	No	Yes
12.	ENE	1976		Uzbekistan: Regional Power Transmission Modernization	0.0	0.0	U	S	No	Yes
13.	AGR	2017	2	Grain Productivity Improvement	0.0	0.0	S	S	No	No
14.	AGR	2069		Amu Zang Irrigation Rehabilitation	0.0	0.0	S	S	No	No
Total					184.5	127.5				

AGR = agriculture and natural resources, ENE = energy, FIN = finance, DO = development objective, IP = implementation progress, No. = number, PS = partly satisfactory, S = satisfactory, Seg = segment (pertaining to loans with more than one withdrawal authority), SOC = social infrastructure, T&C = transport and communications, U = unsatisfactory.

^a Yes for loans with four or more risk factors associated with partly "S" or "U" performance.

^b A loan is considered "at risk" if it is rated as "PS" or "U" in either implementation progress or development objective, or if it is a potential problem loan.

Source: Asian Development Bank estimates.

Table A1.9: Assistance Pipeline for Lending Products, 2005–2006

Sector Project/Program Name	Poverty Classifi- cation ^a	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)			
						ADB			Cofi- Nancing ^c
						OCR	ADF ^b	Total	
2005 Firm Loans									
Agriculture and Natural Resources									
First Land Improvement	PI	ECG/ENV	ECAE	2004	35.0	15.0	50.0	TBD	
Subtotal					35.0	15.0	50.0	TBD	
Transport and Communications									
Regional Railways Rehabilitation Project	OTH	ECG/REG	ECTC		20.0	0.0	20.0	TBD	
Subtotal					20.0	0.0	20.0	TBD	
Water Supply Sanitation and Waste Management									
Kashkadarya and Navoi Rural Water Supply	PI	ECG/ISD	ECSS	2004	0.0	25.0	25.0	TBD	
Subtotal					0.0	25.0	25.0	TBD	
Total					55.0	40.0	95.0	TBD	
2005 Standby Loan									
Education									
Science and ICT in Basic Education	PI	ISD	ECSS	2005	0.0	30.0	30.0	TBD	
Subtotal					0.0	30.0	30.0	TBD	
Industry and Trade									
Third SME Development	PI	ECG/PSD/ ENV	ECGF		25.0	0.0	25.0	TBD	
Subtotal					25.0	0.0	25.0	TBD	
Total					25.0	30.0	55.0	TBD	

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Table A1.9—Continued

Sector Project/Program Name	Poverty Classifi- cation ^a	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)				
						ADB		Gov't	Cofi- Nancing ^c	
						OCR	ADF ^b			Total
2006 Firm Loans										
Agriculture and Natural Resources										
Development of Market Infrastructure for Private Farms	PI	ECG	ECAE	2005	20.0	0.0	20.0	TBD		
Subtotal					20.0	0.0	20.0	TBD		
Education										
Science and ICT in Basic Education	PI	ISD	ECSS	2005	0.0	30.0	30.0	TBD		
Subtotal					0.0	30.0	30.0	TBD		
Energy										
Energy Efficiency and Renewable Energy	OTH	ECG	ECEN		20.0	10.0	30.0	TBD		
Subtotal					20.0	10.0	30.0	TBD		
Industry and Trade										
Third SME Development	PI	ECG/PSD/ ISD	ECGF		25.0	0.0	25.0	TBD		
Subtotal					25.0	0.0	25.0	TBD		
Total					65.0	40.0	105.0	TBD		

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Table A1.9—Continued

Sector Project/Program Name	Poverty Classifi- cation ^a	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)				
						ADB		Gov't	Cofi- nancing ^c	
						OCR	ADF ^b			Total
2006 Standby Loans										
Education										
Education Development ^d										
Energy										
Regional Gas Transmission	OTH	ECG/REG	ECEN	NR	25.0	0.0	25.0	TBD		
Total					25.0	0.0	25.0	TBD		

ADB = Asian Development Bank, ADF = Asian Development Fund, ECAE = Agriculture, Environment and Natural Resources Division, ECEN = Energy Division, ECG = sustainable economic growth, ECGF = Governance, Finance and Trade Division, ECG = sustainable economic growth, ECSS = Social Sectors Division, ECTC = Transport and Communications Division, ENV = environmental protection, GAD = gender and development, GOV = governance, ICT = information and communications technology, ISD = inclusive social development, OCR = ordinary capital resources, OTH = others, PI = poverty intervention, PSD = private sector development, REG = regional cooperation, SME = small and medium enterprise, TBD = to be determined.

^a Following the Board approval of the R-Paper on Review of ADB's Poverty Reduction Strategy, staff instructions to replace the PI/CPI classification with the new tracking system are under preparation in line with paragraph 83 of the R-Paper.

^b Uzbekistan has been reclassified as a B2 borrower. The indicative allocations are subject to the PBA process.

^c Cofinancing information not available at this time.

^d With regard to the Government's proposal for a second Senior Secondary Education project as a standby for the 2006 pipeline, relevant factors for consideration of the project include the priorities emerging from the CSP formulation process and the implementation performance under the SSEP.

Table A1.10: Assistance Pipeline for Nonlending Products and Services, 2005–2006

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
2005							
Education							
Science and ICT in Basic Education	ECSS	PPTA	TASF	600			600
Subtotal				600			600
Finance							
Development of Market Infrastructure for Private Farms	ECAE	PPTA	TASF	600			600
Subtotal				600			600
Transport and Communications							
Furthering Policy Reforms in Railway Sector (attached to Regional Railways Rehabilitation)	ECTC	ADTA	TASF	500			500
Subtotal				500			500
Total				1,700			1,700
2006							
Agriculture and Natural Resources							
Second Land Improvement	ECAE	PPTA	TASF	600			600
Subtotal				600			600
Finance							
Strengthening Pension System	ECGF	ADTA	TASF	400			400
Subtotal				400			400
Health, Nutrition and Social Protection							
Second Woman and Child Health	ECSS	PPTA	TASF	600			600
Subtotal				600			600
Total				1,600			1,600

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Table A1.10—Continued

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
Regional TAs							
2005							
Agriculture and Natural Resources							
1. Central Asian Republics: Monitoring and Evaluation of CARILM Implementation (KAZ/KGZ/TAJ/TKM/UZB)	ECAE	RETA	TBD	300			300
				300			300
Energy							
1. Regional Gas Transmission Improvement Project in CARs, Phase II (KAZ/KGZ/TAJ/TKM/UZB)	ECEN	RETA	TASF	800			800
				800			800
Industry and Trade							
1. Regional Financial Sector Development, Phase 2 (KAZ/KGZ/TAJ/UZB)	ECGF	RETA	TASF	500			500
2. Trade Facilitation and Customs Cooperation Program, Phase III (AZE/ KAZ/KGZ/MON/PRC/TAJ/UZB)	ECGF	RETA	TASF	500			500
				1,000			1,000
Law, Economic Management and Public Policy							
1. Support for Greater Silk Road Initiative, 2005 (AZE/KAZ/KGZ/MON/PRC/TAJ/UZB)	ECOC	RETA	TASF	900			900
				900			900
Transport and Communication							
1. Regional Road Development, Phase 1 (KAZ/KGZ/TAJ/TKM/UZB)	ECTC	RETA	TASF	600			600
2. Regional Traffic Enhancement Project (KAZ/TAJ/TKM/UZB)	ECTC	RETA	TASF	600			600
				1,200			1,200

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Table A1.10—Continued

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
Water Supply, Sanitation and Waste Management							
1. Capacity Building for Regional Water Management Organizations in Central Asia (KAZ/KGZ/TAJ/UZB)	ECAE	RETA	TBD	800			800
Subtotal				800			800
Total				5,000			5,000
2006							
Transport and Communication							
1. Regional Railway Development, Phase 1 (KAZ/KGZ/PRC/TAJ/TKM/UZB)	ECTC	RETA	TASF	850			850
2. Harmonization of Cross Border Initiatives for Transport Sector in Central Asia (AZE/KAZ/KGZ/PRC/TAJ/TKM/UZB)	ECTC	RETA	TASF	850			850
Subtotal				1,700			1,700
Law, Economic Management and Public Policy							
1. Support for Regional Economic Cooperation in Central Asia (AZE/PRC/KAZ/KGZ/MON/TAJ/UZB)	ECOC	RETA	TASF	950			950
Subtotal				950			950
Total				2,650			2,650

ADB = Asian Development Bank, ADB = advisory technical assistance, AZE = Azerbaijan, CARs = Central Asian republics, ECAE = Agriculture, Environment, and Natural Resources Division, ECEN = Energy Division, ECGF = Governance, Finance, and Trade Division, ECOC = Operations Coordination Division, ECSS = Social Sectors Division, ECTC = Transport and Communications Division, ICT = information and communications technology, JSF = Japan Special Fund, KAZ = Kazakhstan, KGZ = Kyrgyz Republic, LSS = Comprehensive Strategy for the Improvement of Living Standards of the People of Uzbekistan, MON = Mongolia, PPTA = project preparatory technical assistance, PRC = People's Republic of China, PRSP = Poverty Reduction Strategy Paper, RETA = regional technical assistance, TA = technical assistance, TAJ = Tajikistan, TASF = Technical Assistance Special Fund, TBD = to be determined, TKM = Turkmenistan, UZB = Uzbekistan.

CONCEPT PAPERS FOR LENDING PRODUCTS

This appendix contains the concept papers for the following lending products:

- (i) Table A2.1: First Land Improvement
- (ii) Table A2.2: Regional Railways Rehabilitation Project
- (iii) Table A2.3: Kashkadarya and Navoi Rural Water Supply Project
- (iv) Table A2.4: Third Small and Medium Enterprise Development

**Table A2.1: First Land Improvement
Concept Paper**

Date: 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 type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and Natural Resources Subsector: Natural Resources</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 checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input 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>Subthemes:</p> <ul style="list-style-type: none"> • promoting economic efficiency and enabling markets; • fostering (physical) infrastructure development; • natural resources conservation 	<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input 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 checked="" type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input 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 type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Agriculture, Environment, and Natural Resources Division, East and Central Asia Department</p>								
<p>5. Responsible ADB officer: Plamen Bozakov</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy:</p> <p>The agriculture sector of Uzbekistan since 1991 has suffered from a declining capacity to maintain its extensive irrigation system. From a peak irrigation coverage of 4.5 million hectares (ha) achieved in the 1980s, irrigated land has declined to about 3.7 million ha. The fall has been attributed to a declining state and farm resources to maintain and operate the irrigation and drainage networks. This in turn has been caused by weakened market access to farm products, termination of subsidies and access to capital</p>								

resources (pumps, pipes, spare parts, civil work materials) previously provided under the barter system of the former Soviet Union (FSU). Irrigated areas, particularly those brought under irrigation in 1960–1980, have particularly suffered from declining service quality. These cover Golodnya Steppe and Navoi and Bukhara provinces (*oblasts*) in the Central-East and Central regions of the country, respectively.

Overapplication of irrigation water and failing drainage systems in places have resulted in rising water tables and increasing soil salinity, the main reason for land degradation. In 2002, waterlogging and soil salinity affected some 46% of the country's irrigated area. Farms in these areas increasingly suffer from water shortages in late summer (July–September) and uneven water application due to failures in the irrigation networks. Water shortages, high water tables, and soil salinity have diminished crop yields, caused contamination in the domestic water supply, and environmental degradation. Urgent and cost-effective investments are needed to mitigate the adverse impacts of the deteriorating irrigation and drainage systems in these areas as well as to build the capacity of the agriculture sector to address this problem over the medium and long term.

ADB's country operational strategy for Uzbekistan and the country strategy and program update emphasize the need for policy and investment interventions in the agriculture and water sectors to increase productivity and income of the rural population, and to generate employment. The objectives of the proposed Land Improvement Project, i.e., increasing farm incomes through increased land quality and productivity, are in line with these documents.

b. Goal and purpose:

The project goal is improve rural living standards in selected areas. The project purposes are to increase farm incomes and mitigate the adverse impacts on rural communities of the deteriorating soil and water conditions.

c. Components and outputs:

The proposed project will (i) introduce cost-effective technologies (alternative crops and on-farm soil and water management practices) that mitigate the adverse impacts of soil salinity on farm productivity; and (ii) introduce the critical investment necessary to arrest the deterioration of farmland in selected areas that is suffering from salt buildup and high ground water tables.

d. Expected results and deliverables:

The magnitude of project benefits will be estimated during project preparatory technical assistance implementation.

e. Social or environmental issues or concerns:

The project is expected to generate substantially positive environmental and social impacts through improvement of the soil and water quality of the marginal farming lands.

f. Plans for disseminating results/deliverables:

Not applicable

7. Proposed executing/implementing agency: Ministry of Agriculture and Water Resources (MAWR)

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Farmer-beneficiaries, local communities, research institutions, and local governments will be involved through focus group discussions and general consultations in the design of the project interventions. Beneficiary profiles will be initially developed through rapid rural assessment and household surveys.

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): 2004
 - Nonlending (other than project preparatory):
- c. Period and duration of assistance
 - Lending: 2006–2011
 - Nonlending:

10. Financing Plan

- a. For lending
 Ordinary capital resources: \$35.0 million
 Asian Development Fund:\$15.0 million
 Other:

If known, provide cost estimates and financing arrangements.

Source	Amount (\$ million)
ADB Financing	50.0
Government Financing	
Other Financing	
Total Cost	50.0

Source: ADB estimates.

- 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, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A2.2: Regional Railways Rehabilitation Project
Concept Paper**

Date: July 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 checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport and Communications Subsector: Railways</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 checked="" 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>	<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 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: Manmohan Parkash</p>								
<p>6. Description of assistances</p> <p>a. Background/linkage to country/regional strategy: ADB has two ongoing projects with Uzbekistan's Railway Company, which is rehabilitating the main line from Chengeldy to the Khodjadavlet. This line passes through Tashkent, Djizzak, Samarkand, and Bukhara.</p> <p>b. Goal and purpose: The goal is to facilitate regional cooperation and economic growth by developing and rationalizing the railway network and promoting reliable, safer, faster, and more accessible transportation.</p> <p>c. Components and outputs: The project will further ADB's program of railway network development in the region and in Uzbekistan. The project will help the Government improve sector efficiency to meet the transportation needs of the domestic economy and international traffic. This will also continue ADB's support for sound sector policy to facilitate market-based transport management and operations.</p>								

<p>d. Expected results and deliverables: To be defined after receipt of the interim report of PPTA 4076-UZB. Overall, the project will improve the transport infrastructure, particularly the railway infrastructure, and promote regional traffic of people and goods between Uzbekistan, Afghanistan, and Tajikistan.</p> <p>e. Social or environmental issues or concerns: This will be assessed during the PPTA and the adverse social or environmental impacts will be satisfactorily mitigated.</p> <p>f. Plans for disseminating results/deliverables: To be developed during project preparation.</p>																				
<p>7. Proposed executing/implementing agency or agencies: Uzbekistan's Railway Company</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The concept will be developed in close consultations with the Cabinet of Ministers and UTU.</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2003</p> <p>b. Expected date of submission for approval Lending: Firm 2005 Nonlending (project preparatory): Nonlending (other than project preparatory):</p> <p>c. Period and duration of assistance{s} Lending: To be defined during project preparation Nonlending:</p>																				
<p>10. Financing Plan</p> <p>a. For lending <input checked="" type="checkbox"/> Ordinary capital resources: \$20.0 million <input type="checkbox"/> Asian Development Fund: \$ <input type="checkbox"/> Other: \$</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$ million)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td>20.0</td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td>20.0</td> </tr> </tbody> </table> <p>Source: ADB estimates.</p> <p>b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: \$ <input checked="" type="checkbox"/> Grant TA funds: \$500,000 ADTA (Furthering Policy Reforms in Railway Sector) attached to the Regional Railways Rehabilitation Project <input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td>500,000</td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td>500,000</td> </tr> </tbody> </table> <p>Source: ADB estimates.</p>	Source	Amount (\$ million)	ADB Financing	20.0	Government Financing		Other Financing		Total Cost	20.0	Source	Amount (\$)	ADB Financing	500,000	Government Financing		Other Financing		Total Cost	500,000
Source	Amount (\$ million)																			
ADB Financing	20.0																			
Government Financing																				
Other Financing																				
Total Cost	20.0																			
Source	Amount (\$)																			
ADB Financing	500,000																			
Government Financing																				
Other Financing																				
Total Cost	500,000																			

ADB = Asian Development Bank, CSP = country strategy and program, PPTA = project preparatory technical assistance, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A2.3: Kashkadarya and Navoi Rural Water Supply Project
Concept Paper**

Date: 22 July 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 type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sectors: Water Supply, Sanitation, and Waste Management Subsector: Water supply and sanitation</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 checked="" type="checkbox"/> Inclusive social development</td> <td><input 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>Subthemes:</p> <ul style="list-style-type: none"> • developing rural areas; • fostering physical infrastructure development; • human development 	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input 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 checked="" type="checkbox"/> Inclusive social development	<input 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 type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Social Sectors Division, East and Central Asia Department</p>								
<p>5. Responsible ADB officer: Peter Wallum</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Uzbekistan is suffering from poor water supply and sanitation services and a shortage of safe drinking water, especially in rural areas. Water resources and availability vary significantly across regions and by season, and constitute one of the biggest challenges facing the country. Water consumers incur significant costs and inconvenience coping with poor water supply and services; many collect water from rivers, irrigation channels, and wells. Unsafe water and sanitation services are responsible for deteriorating public health and increasing expenditure on health, with the poor affected the most. Inadequate water supply and sanitation systems result from deficient design,</p>								

<p>use of inferior construction materials and methods, damaged water supply equipment, collapse of institutional arrangements due to the country's economic transition, and insufficient maintenance and rehabilitation. Given the lack of funds and poor state of the water sector facilities, the quality of water and sanitation services will continue to deteriorate. Currently, only 65% of the rural population have a water supply. There is an urgent need to upgrade and expand the rural water supply and sanitation services. Supporting projects for water supply and sanitation are one of ADB's country operational strategy priorities in Uzbekistan.</p> <p>The proposed project will cover two provinces (<i>oblasts</i>): Kashkadarya and Navoi. These <i>oblasts</i> have been selected because of an identified urgent need to improve the poor condition of their basic rural water supply and sanitation facilities. The proposed project is expected to ensure access to safe drinking water and sanitation for about 500 of the poorest rural communities, covering about 0.5 million people. Through enhancing rural water supply and sanitation coverage, the proposed project will improve living and health conditions of the poor and contribute to poverty reduction.</p> <p>b. Goal and purpose: Improve water supply and sanitation services in the rural areas of Kashkadarya and Navoi <i>oblasts</i> of Uzbekistan. Increase safe water coverage in the two selected provinces to 90% of the population by 2010.</p> <p>c. Components and outputs: The project is expected to: (i) assist in the formulation and implementation of the national water supply and sanitation sector strategy; (ii) strengthen the institutional capacity and sustainability of water sector management; (iii) improve the quality and efficiency of safe water and sanitation services; and (iv) rehabilitate and develop rural water supply and sanitation facilities.</p> <p>d. Expected results and deliverables: Improved water supply, health, and living conditions of the poor in the rural areas covered by the project.</p> <p>e. Social or environmental issues or concerns: Social and environmental impact assessments will be carried out during the PPTA. The poor will benefit from improvements in safe water supply, sanitation, and better health and living conditions.</p> <p>f. Plans for disseminating results/deliverables: Public consultation on social and health impacts of the project will be carried out during the PPTA. A summary project impact assessment will be available to the public through the ADB web site. Lessons learned will be applied in future ADB projects.</p>
<p>7. Proposed executing/implementing agency or agencies: Uzbekistan Communal Services Agency (UCSA)</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The Government is conscious of the urgent need to improve rural water services through policy and institutional reforms, and the repair and upgrading of existing water supply infrastructure. The Government has developed a national strategy for the water supply and sanitation sector that contains specific targets, an action plan, and a medium-term sector investment program. The sector strategy includes (i) improving water supply administration, financial management, and operation and maintenance; (ii) integrating water supply development with the improvement of sanitation facilities; and (iii) increasing access to safe and reliable water supply and sanitation services. The Government has adopted a community management approach to rural water supply and sanitation in an attempt to ensure its quality and sustainability.</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan:</p> <p>b. Expected date of submission for approval Lending: 2005 Nonlending (project preparatory): 2004 Nonlending (other than project preparatory):</p> <p>c. Period and duration of assistance Lending: 2005–2010 (5 years) Nonlending:</p>
<p>10. Financing Plan</p> <p>a. For lending <input type="checkbox"/> Ordinary capital resources: <input checked="" type="checkbox"/> Asian Development Fund: \$25.0 million</p>

Other: \$15 million (Islamic Development Bank; to be confirmed)

If cofinancing is required, indicate amount and sources sought: \$15.0 million, from Islamic Development Bank (to be confirmed). If known, provide cost estimates and financing arrangements.

Source	Amount (\$ million)
ADB Financing	25.0
Government Financing	
Other Financing	15.0
Total Cost	40.0

Source: ADB estimates.

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget:
- Grant TA funds: \$575,000 (2004 PPTA)
- 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, CSP = country strategy and program, PPTA = project preparatory technical assistance, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A2.4: Third Small and Medium Enterprise Development
Concept Paper**

Date: 15 July 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 type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Industry Subsector: Small and Medium Enterprise</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 checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table> <p>Subthemes:</p> <ul style="list-style-type: none"> • promoting economic efficiency and enabling markets; • cleaner production, control of industrial pollution; and • policy, institutional, legal, regulatory reforms 	<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Governance, Finance, and Trade Division, East and Central Asia Department</p>								
<p>5. Responsible ADB officer: Radhakrishna Narasimham</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Uzbekistan's small and medium enterprise (SME) sector has the potential to increase industrial value added, and promote exports by developing backward and forward linkages with the country's agriculture, horticulture, sericulture, and extractive sectors, and thereby generate additional employment opportunities. Broadening and diversifying the industrial base will help generate foreign exchange earnings through export promotion, and savings through import substitution. Industries such as food processing, production of cotton yarn, textile manufacture, silk production, and</p>								

electronics production are areas whose finished products are much lighter and much higher in value than the raw material inputs. It is therefore economical to locate such industries close to their raw material sources.

Uzbekistan acceded to IMF Article VIII on 31 October 2003, which will require the Government to unify its exchange rates and move toward current account convertibility. To facilitate the benefits of such convertibility, the Government will have to (i) lift all remaining restrictions on the withdrawal of cash from bank accounts, (ii) deregulate interest rates and end directed credits, and (iii) close unviable state-owned enterprises that thrived in past under protectionist barriers. Such closure would cause increased unemployment. To absorb such retrenched labor and to assist in poverty reduction, it would be necessary to create alternative employment opportunities. As demonstrated in the Rural Enterprise Development Project¹ and the SME Development Project,² Uzbekistan has a potential competitive advantage in SMEs and a high demand for credit from SMEs. Given the relative success³ of these two SME projects, the Government requested ADB to process a third SME loan in 2005 for \$25 million.

The Government and some participating commercial banks were consulted in preliminary concept design. ADB's country operational strategy (COS) for Uzbekistan⁴ seeks to assist Uzbekistan in an orderly and sustainable transition to a market economy. The COS supports ADB's participation in Uzbekistan's micro, small, and medium enterprise sector as well as its banking and private sectors, in coordination with the World Bank, European Bank for Reconstruction and Development, and other external funding agencies. The COS particularly encourages ADB participation in those sectors that directly or indirectly support the country's private sector. ADB's private sector strategy for Central Asia, presented to the ADB Board in March 1998, advocates assistance to the nascent private sector through loans and equity participation in areas that complement ADB's public sector lending, such as SME development. The Government in its Resolution No. 296 dated 10 June 1999 requested ADB's continued support to the SME sector.

There are, however, major challenges that need to be addressed for the proposed project's success. Beginning in March 2002, the Government, in preparation for its IMF Article VIII signature, administered various measures aimed at narrowing the margin between the interbank exchange rate of the Uzbek sum and the curb rate. These measures, which aimed at reducing the demand for foreign exchange, comprised (i) restriction and/or termination of shuttle trade activities, (ii) restrictions on the withdrawal of cash from banks, (iii) increase in administrative tax and other inspections of business, (iv) closure of borders with Kazakhstan and Kyrgyz Republic, and (v) continued distortions in the credit decisions of commercial banks for domestic currency SME lending. Inevitably, these measures have worked against the interests of SMEs. Restrictions on the shuttle trade have created shortage in working capital and subsequently spare parts, consumables, and packaging material for SMEs. Restrictions on SME cash withdrawals from bank accounts, coupled with existing credit distortions, have further exacerbated this problem. These restrictive measures introduced since 2002 have been retrogressive against the more enabling measures the Government undertook in 2000 under policy dialogue with ADB under the SME Development Project Loan.

The proposed project, through policy dialogue with the Government, will seek to address the above impediments. Specifically, the proposed project will seek the following conditionalities: (i) abolition of all restrictions on cash withdrawals from bank accounts; (ii) creation of a nondiscriminatory monetary policy ending distortions in credit allocation and real positive interest rates (market-determined real positive interest rates coupled with abolition on restrictions on cash withdrawals will help strengthen the Uzbek sum and curtail a run on the currency, which is feared by the Uzbek Government); and (iii) reduction of administrative measures and trade restrictions, particularly on imports and foreign exchange access to finance them, which impinge on SME sustainability. In doing so, the proposed project would seek to assist Uzbekistan's SMEs realizing their potential while simultaneously promoting improved financial intermediation. The project will set strict selection criteria for the choice of participating commercial banks based on solvency, profitability, and liquidity—three measures of financial soundness.

The proposed project will finance only those subprojects that have earnings in foreign currency. This is to prevent any devaluation of the sum creating an exchange risk for subborrowers and credit risk for the participating banks. The project will also have in-built social and environmental safeguards (see below).

¹ ADB. 1996. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Republic of Uzbekistan for Rural Enterprise Development*. Manila.

² ADB. 2000. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Republic of Uzbekistan for the Small and Medium Enterprise Development Project*. Manila.

³ SME production as a share of GDP increased to 9% in 2002 from 8% in 1999. Against an incremental employment target of 3,000 during the project's life, an employment target of 2,762 people was achieved in August 2002.

⁴ ADB. 2000. *Technical Assistance to the Republic of Uzbekistan for Country Operational Strategy Study*. Manila.

<p>b. Goal and purpose: The project's principal goal is to promote balanced and sustainable economic growth and employment. In pursuit of this goal, the project will:</p> <ul style="list-style-type: none"> (i) revitalize, diversify, and enhance the competitiveness of Uzbekistan's private sector SMEs by financing badly needed foreign technology, capital goods, and other inputs; (ii) help improve the policy, legal, and regulatory framework for SMEs, through policy dialogue with the Government on the removal of the remaining impediments to the sector's growth potential; (iii) increase value addition through backward and forward linkages between SMEs and larger enterprises and between SMEs and microenterprises and agricultural farmsteads; (iv) generate and sustain additional direct and indirect employment opportunities through the value chain, particularly by absorbing labor retrenched from enterprises that flourished under protective barriers but that now have to be closed; (v) generate foreign exchange through export promotion and import substitution, particularly in the services sector as the Uzbek sum moves toward a more realistic market-determined exchange rate; and (vi) improve financial intermediation by eliminating distortions in banks' credit decisions and in facilitating unfettered cash withdrawals from the banking system. <p>c. Components and outputs: The support to SMEs will be provided through a line of credit of \$25 million to identified commercial banks, which will onlend loan proceeds to finance the foreign exchange components of subproject costs. This will enable SMEs to import capital goods, materials, and technology.</p> <p>d. Expected results and deliverables: The expected results of the project are (i) development of efficient institutional intermediation capacity in commercial banks, thereby facilitating efficient and nondistortionary delivery of credit to SMEs; (ii) increase in domestic investments mobilization and improvement of financial intermediation to promote economic growth and poverty reduction; (iii) modernization of SMEs with imported equipment and technologies allowing them to manufacture export-oriented or import-substituted goods; and (iv) employment generation and poverty reduction.</p> <p>e. Social or environmental issues or concerns: The project is classified as economic growth oriented through provision of direct and indirect employment. The project will have a positive social impact⁵ due to improved employment income generation and poverty reduction. Safeguards to protect working conditions and to prevent environmental damage will be built into the project's design. The project is expected to be Category B for environmental classification purposes. Environmental screening for all subprojects will be undertaken. Every subproject will have to comply with ADB's policies and the Government's environmental standards.</p> <p>f. Plans for disseminating results/deliverables: Plans will be stated in the project framework, which will be made public after loan approval.</p>
<p>7. Proposed executing/implementing agencies: Participating commercial banks (to be determined).</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The Government requested the SME III loan based on its satisfactory experience with the Rural Enterprise Development Project and SME Development Project loans. The concept of this loan will be developed in close consultation with the Cabinet of Ministers, Ministry of Finance, and commercial banks.</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <ul style="list-style-type: none"> a. Year included in CSP, CSP update, RCSP, RCSP update, or interregional work plan: 2004 b. Expected date of submission for approval <ul style="list-style-type: none"> Lending: 2005 standby, 2006 firm Nonlending (project preparatory): Nonlending (other than project preparatory): c. Period and duration of assistance <ul style="list-style-type: none"> Lending: 15-year loan including a 3-year grace period. Closing date for loan commitments will be 3 years from date of loan effectiveness. Closing for loan disbursements will be 5 years from date of loan

⁵ The following social policies will be followed by every subproject: (i) working hours limited to maximum of 12 hours per day for workers, (ii) adequate safety and health protection to workers against occupational hazards, and (iii) no minors (under 16) to be employed by any subproject.

effectiveness.
Nonlending:

10. Financing Plan

a. For lending

- Ordinary capital resources: \$25.0 million
- Asian Development Fund:
- Other: to be determined later

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

Source	Amount (\$ million)
ADB Financing	25.0
Government Financing	
Other Financing	
Total Cost	25.0

Source: ADB estimates.

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget:
- Grant TA funds
- Other (specify):

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, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

CONCEPT PAPERS FOR NONLENDING PRODUCTS AND SERVICES

This appendix contains the concept papers for projected nonlending products and services:

- (i) Table A3.1: Science and ICT in Basic Education
- (ii) Table A3.2: Development of Market Infrastructure for Private Farms

**Table A3.1: Science and ICT in Basic Education
Concept Paper**

Date: 26 July 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p><input 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 checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Education Subsector: Basic Education</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> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input 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:</p> <ul style="list-style-type: none"> • human development 	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input 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 type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input 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 type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Social Sectors Division, East and Central Asia Department</p>								
<p>5. Responsible ADB officer: Lan Wu</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy:</p> <p>Education has been a priority of the Government in its development strategy characterized by a “gradualist approach” and the need to reduce the social costs of transition. More recently, the Government has reaffirmed its focus on basic education, especially enhancing its quality. The National Program for School Education Development 2004–2009 (NPSED) announced in 2004 identified priorities for enhancing basic education for the next 5 years, including strengthening its material and technical base. The NPSED also envisages significant increases in budget allocation and mobilizing resources including those from funding agencies to implement further reforms according to the NPSED.</p>								

<p>A key objective of ADB's country strategy for Uzbekistan is to promote inclusive social development where education is a sector of focus. ADB's sector strategy in education follows a two-pronged approach of supporting sector policy reforms and strengthening the national capacity to manage sector reforms, and supporting specific efforts to improve the quality and relevance of education. In support of this approach, ADB has provided since 1998 five loans to the education sector in Uzbekistan, addressing key sector issues including curriculum reform, improving the availability and affordability of textbooks and learning materials, strengthening teacher quality and development, promoting private sector participation, and enhancing planning and management capacities in basic education. The proposed assistance in science and ICT will constitute an important building block of ADB assistance to the sector of basic education.</p> <p>b. Goal and purpose:</p> <p>To examine and evaluate the feasibility of developing a project to enhance learning and teaching in schools nationwide, especially those in poor regions, through science and ICT development.</p> <p>c. Components and outputs:</p> <p>A feasibility study covering the policy, social, financial, technical, and economic aspects of a potential project that may include strengthening and developing science and ICT equipment nationwide.</p> <p>d. Expected results and deliverables:</p> <p>A feasibility study report that clearly identifies issues, challenges, and solutions in integrating science and ICT in basic education in Uzbekistan in the form of a project proposal, supported by, among others, (i) a sector analysis, an analysis of issues specific to science and ICT development in basic education and a strategy, (ii) a social and poverty analysis, (iii) detailed costing and financing arrangements, and (iv) a financial, fiscal and economic analysis. Deliverables should also include consultation with stakeholders through seminars, workshops, field visits, interviews, etc.</p> <p>e. Social or environmental issues or concerns:</p> <p>No environmental issues are expected; social issues relating to poverty, ethnic minorities, equity, and gender will be examined under the study.</p> <p>f. Plans for disseminating results/deliverables:</p> <p>Public information dissemination is planned in Uzbekistan (TV and/or radio); web site of the Uzbekistan Resident Mission.</p>
<p>7. Proposed executing/implementing agency or agencies: Ministry of Public Education, Uzbekistan</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:</p> <p>The Government initiated the assistance in June 2004 as part of its newly unveiled national program for school education development 2004–2009.</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004 CSPU</p> <p>b. Expected date of submission for approval Lending: 2006 Nonlending (project preparatory): 2005 Nonlending (other than project preparatory):</p> <p>c. Period and duration of assistance{s} Lending: Nonlending:</p>
<p>10. Financing Plan</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources: \$</p> <p><input checked="" type="checkbox"/> Asian Development Fund: \$30.0 million</p> <p><input type="checkbox"/> Other: \$</p>

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:

b. For nonlending

- No resources required, other than ADB staff
 ADB's administrative budget: \$
 Grant TA funds \$600,000
 Other: \$50,000 (Government financing)

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

Source	Amount (\$)
ADB Financing	600,000
Government Financing	50,000
Other Financing	
Total Cost	650,000

Source: ADB estimates.

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.2: Development of Market Infrastructure for Private Farms
Concept Paper**

Date: 30 July 2004

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p><input 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 checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and Natural Resources Subsectors: Agriculture production, agro-processing, and agribusiness</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>Theme</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 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>Subthemes:</p> <ul style="list-style-type: none"> • promoting economic efficiency and enabling markets; • catalyzing private sector investment; • private-public partnerships (PPP) 	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input 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 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 type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Agriculture, Environment, and Natural Resources Division, East and Central Asia Department</p>								
<p>5. Responsible ADB officer(s): TBD</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Over 50% of the country's 25.6 million people live in rural areas. Agriculture accounts for about 28% of GDP, 44% of employment, and 60% of export revenues. Agricultural development has centered around three strategic thrusts: (i) generating foreign exchange earnings, mainly through the sale of cotton; (ii) improving food security; and (iii) improving social stability and rural incomes. About 70% of Uzbekistan's irrigated land has been allocated to cotton. During the 1990s, the country gradually increased wheat production while maintaining the level of cotton production.</p>								

Agriculture is still dominated by collective and state farms. Urban and rural households operated backyard plots, output of which were mainly for own consumption and supplementary cash incomes. Reforms in the farm structure began in the early 1990s with the creation of additional household plots on the collective farms assigned to farm employees. Such plots (called *dehkan* farms) produce most of the country's noncommodity crops.

Four laws were introduced in 1998 to facilitate restructuring of the state and collective farms into cooperative (called *shirkat*) farms, and formation of private farms. While *shirkat* farms still function like collective farms by allocating shares to members, private farms are family or company owned with long-term land leases (50 years). Creation of private farms has helped improve farm productivity, while *shirkat* farms showed output growth during 1996–2001. As of 2002, private farms produced 27% and 38% of the country's cotton and wheat, respectively. With a series of reform initiatives (also supported by Ak Altin Agricultural Development Project and the World Bank's Rural Enterprise Support Project), the Government adopted a resolution to allow private sector participation in cotton wholesale and export, which had been mainly under state control. Sector reforms adopted in recent years have aimed to stimulate productivity and improve farm income.

Despite gains in wheat outputs and the reforms adopted, the agriculture sector still faces key challenges. Because of low farm profitability and inefficient delivery of farm inputs, farms are suffering from shortages of machinery, fertilizers, pesticides, and other production inputs. Additional measures are required to widen the geographic coverage of reforms and deepen their scope, to support private farms further, and to improve their productivity. Reform policy, largely focusing on production side, should be accompanied by an active facilitation of private sector participation in farm support services. This effort is necessary to promote competition and introduce market mechanisms at the farm-gate level, and to allow farmers independent choices in determining their production and marketing decisions. With the growing number of private farms, the farm extension approach should be also transformed from one that is directive and supply driven to one that is demand driven and supportive of more independent decision making at the farm level. The Presidential Decree of March 2003 recognized private farming as the model for future farming and expanded the awarding of long-term land leases and formal registration of individual farms. This would eventually increase the share of private farms from the current 12.5% to over 60% of total cropland by 2007.

However, a crucial constraint in accelerating farm privatization and restructuring is the farm support services for private farming. The existing agricultural support services do not meet the needs of an increasing number of private farmers, including access to input supply and to farm machinery. Existing machinery services are provided by the joint-stock companies largely owned by the state. These services are often costly, of poor quality, and not tailored to the needs of the newly emerging private farmers. The private sector-driven agriculture service centers (ASCs) operate on only a limited scale for the provision of machinery services, agro-processing, and output marketing. A shift to higher-value crops is constrained by the absence of processing and marketing chains, and complicated by poor transportation infrastructure.

As numbers of private farmers grew, an increasing volume of farm products (fruits, vegetables, and livestock products) ended up being traded on the bazaars and farmers' markets, bypassing processing and retailing organizations, the commercialization of which considerably lagged behind. Although private farmers were allowed to have more reliable access to cash income, such lacking market infrastructure has also made cash crop growers highly susceptible to seasonal fluctuations, such as low prices during the harvest season. Thus, to increase the effectiveness and efficiency of the Government's sector reform policy, the steady establishment of private systems should be accompanied by reforms such as the lowering of trade barriers, the introduction of an enabling legal/institutional environment for private enterprise formations, the strengthening of ASCs, and improvements in processing, marketing, postharvest storage facilities, and transportation services.

To help the Government develop a conducive policy environment, new technical assistance (Agriculture Sector Review and Planning, approved in April 2004) has been initiated to assess the needs of market infrastructure for sector reform, and to prepare a sector reform plan, among others. Building on the outcome of this ADTA, the PPTA will help Uzbekistan develop an investment project that aims to improve productivities of private farms, and help the country address persistent market constraints.

- b. Goal and purpose:** The overall goal of the sector is to improve agricultural productivity and farm income on a sustained basis. The purpose of the PPTA is to prepare an investment project, suitable for ADB financing, which will improve market infrastructure for private farms.
- c. Components and outputs:** Components include (i) development of market infrastructure, (ii) improvement of market service centers, and (iii) project implementation.
- d. Expected results and deliverables:** (i) Regional wholesale market, (ii) processing and storage facilities, (iii) capacity building of ASCs, and (iv) rural access roads in selected areas with private farms.

<p>e. Social or environmental issues or concerns: None.</p> <p>f. Plans for disseminating results/deliverables: Knowledge sharing and dissemination through training of private-sector driven ASCs.</p>																				
<p>7. Proposed executing/implementing agency or agencies: Ministry of Agriculture and Water Resources (MAWR) and ASCs Associations (TBD)</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Policy dialogue and country consultation meetings with Cabinet of Ministers and Ministry of Agriculture and Water Resources.</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004</p> <p>b. Expected date of submission for approval Lending: 2006 Nonlending (project preparatory): 2005 Nonlending (other than project preparatory):</p> <p>c. Period and duration of assistances Lending: 2007—2011 Nonlending: 2005</p>																				
<p>10. Financing Plan</p> <p>a. For lending <input checked="" type="checkbox"/> Ordinary capital resources: \$30.0 million <input type="checkbox"/> Asian Development Fund: <input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Source</th> <th style="text-align: right;">Amount (\$ million)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td style="text-align: right;">30.0</td> </tr> <tr> <td>Government Financing</td> <td style="text-align: right;">TBD</td> </tr> <tr> <td>Other Financing</td> <td style="text-align: right;">0.0</td> </tr> <tr> <td>Total Cost</td> <td style="text-align: right;">TBD</td> </tr> </tbody> </table> <p style="margin-left: 40px;">Source: ADB estimates.</p> <p>b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: \$ <input checked="" type="checkbox"/> Grant TA funds \$600,000 <input checked="" type="checkbox"/> Other \$250,000 (Government financing)</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-left: 40px;"> <thead> <tr> <th style="text-align: left;">Source</th> <th style="text-align: right;">Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td style="text-align: right;">600,000</td> </tr> <tr> <td>Government Financing</td> <td style="text-align: right;">250,000</td> </tr> <tr> <td>Other Financing</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Total Cost</td> <td style="text-align: right;">850,000</td> </tr> </tbody> </table> <p style="margin-left: 40px;">Source: ADB estimates.</p>	Source	Amount (\$ million)	ADB Financing	30.0	Government Financing	TBD	Other Financing	0.0	Total Cost	TBD	Source	Amount (\$)	ADB Financing	600,000	Government Financing	250,000	Other Financing	0	Total Cost	850,000
Source	Amount (\$ million)																			
ADB Financing	30.0																			
Government Financing	TBD																			
Other Financing	0.0																			
Total Cost	TBD																			
Source	Amount (\$)																			
ADB Financing	600,000																			
Government Financing	250,000																			
Other Financing	0																			
Total Cost	850,000																			

ADB = Asian Development Bank, CSP = country strategy and program, PPTA = project preparatory technical assistance, RCSP = regional cooperation strategy and program, TA = technical assistance, TBD = to be determined.

Assistance Program for 2004

Table A4.1: Assistance Pipeline for Lending Products, 2004

Sector Project/Program Name	Poverty Classifi- cation ^a	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)				
						ADB		Gov't ^b	Cofi- nancing	
						OCR	ADF			Total
2004 Firm Loans										
Education										
Second Textbook Development	PI	ISD	ECSS	2003	38.46	25.0	0.0	25.0	13.46	
Subtotal					38.46	25.0	0.0	25.0	13.46	
Health, Nutrition and Social Protection										
Woman and Child Health Development	PI	ISD/GAD	ECSS	2003	61.54	40.0	0.0	40.0	21.54	
Subtotal					61.54	40.0	0.0	40.0	21.54	
Total					100.0	65.0	0.0	65.0	35.0	

ADB = Asian Development Bank, ADF = Asian Development Fund, ECSS = Social Sectors Division, GAD = gender and development, ISD = inclusive social development, OCR = ordinary capital resources, PI = poverty intervention.

^a Following the Board approval of the R-Paper on Review of ADB's Poverty Reduction Strategy, staff instructions to replace the PI/CPI classification with the new tracking system are under preparation in line with paragraph 83 of the R-Paper.

^b Government share was calculated based on ADB's current classification of developing member countries and project cost-sharing limits: Group A = 80%; Group B1 = 75%; Group B2 = 70%; and Group C = 65%. Subject to consultation with the Government.

Source: ADB. Project Processing Information System as of 4 August 2004. Manila.

Table A4.2: Assistance Pipeline for Nonlending Products and Services, 2004

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total (\$'000)
			ADB		Others		
			Source	Amount (\$'000)	Source	Amount (\$'000)	
2004 Firm							
Agriculture and Natural Resource							
Land Improvement Project	ECAE	PPTA	TASF	550			550
Agriculture Sector Review and Planning	ECAE	ADTA	TASF	325			325
Subtotal				875			875
Finance							
Financial Sector Assessment	ECGF	ADTA	TBD	400			400
Subtotal				400			400
Health, Nutrition and Social Protection							
Capacity Building for Woman and Child Health Development	ECSS	ADTA	TBD	300			300
Subtotal				300			300
Water Supply, Sanitation and Waste Management							
Kashkadarya and Navoi Rural Water Supply	ECSS	PPTA	TBD	575			575
Subtotal				575			575
Total				2,150			2,150
2004 Standby							
Transport and Communication							
Uzbekistan Transport Sector Study	ECTC	ADTA			TBD	450	450
Total						450	450

ADB = Asian Development Bank, ADTA = advisory technical assistance, ECAE = Agriculture, Environment, and Natural Resources Division, ECGF = Governance, Finance, and Trade Division, ECSS = Social Sectors Division, ECTC = Transport and Communications Division, JSF = Japan Special Fund, PPTA = project preparatory technical assistance, TASF = Technical Assistance Special Fund, TBD = to be determined.

Source: ADB. Project Processing Information System as of 4 August 2004. Manila.