



Uzbekistan: National Road Development Project

Project Name	National Road Development Project
Project Number	53312-001
Country / Economy	Uzbekistan
Project Status	Active
Project Type / Modality of Assistance	Loan Technical Assistance
Source of Funding / Amount	Loan 4174-UZB: National Road Development Project Ordinary capital resources US\$ 273.85 million TA 6908-UZB: Preparing and Implementing Gender-Inclusive Projects in Central and West Asia Subproject 7: Promoting Growth of Women's Enterprises in the Surkhandarya Region Technical Assistance Special Fund US\$ 150,000.00
Operational Priorities	OP3: Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability OP5: Promoting rural development and food security OP7: Fostering regional cooperation and integration
Sector / Subsector	Transport / Road transport (non-urban)
Gender	Effective gender mainstreaming
Description	The proposed project is aligned with the ADB's Strategy 2030, which provides a special attention for the needs of landlocked economies and supports improving regional connectivity and competitiveness by addressing cross-border infrastructure needs. It is also consistent with ADB's CPS, 2019-2023, for Uzbekistan. The CPS supports Uzbekistan's pursuit for improved quality of peoples' lives and creation of jobs through prioritizing regional cooperation and integration along with private sector development, and reduction of economic and social disparities. It advocates (i) accelerating economic growth through continuing interventions in the transport sector focusing on cross border roads that facilitate development of CAREC transport corridors; (ii) improvement of the growth inclusiveness and sustainability by enhancing employability of the population through skills development and strengthening climate change resilience; and (iii) leveraging regional cooperation by developing regional transportation links and accompanying logistics.
Project Rationale and Linkage to Country/Regional Strategy	The proposed project will rehabilitate 106.4 kilometers (km) of Reconstruction of Denov to Darband Road Project, linking the Central Asia Regional Economic Cooperation (CAREC) Corridor 3b and 6b (Dhushanbe-TermezGwadar/Karachi Sea Port). It will contribute to the economic development of the CAREC corridor regional integration, climate resilience and sustainability of the road project, the institutional development and development of Tourism. The project derives synergies with the earlier assistance and adopts a cross-sectoral approach to integrated development in the region.
Impact	Regional connectivity and CAREC corridors strengthened
Project Outcome	
Description of Outcome	Road transport efficiency for project roads increased and road safety outcomes improved
Progress Toward Outcome	As of 14 July 2023, the project is currently rated On Track. The total contract award and disbursement are \$215.89 m (86.32%) and \$58.90m (123.09%), respectively, against the original projection of \$250.09 million for contract awards and \$47.85 for disbursements against the elapsed project period of 26%.
Implementation Progress	
Description of Project Outputs	National road between Derbent and Denau reconstructed (subproject 1) WIM system supplied and installed A380 road section between Bukhara and Gazli reconstructed (subproject 2)
Status of Implementation Progress (Outputs, Activities, and Issues)	For Subproject 1, with three lots under one package, the three civil works contracts were awarded in October 2022, respectively, for a combined total amount of \$147.59 million with 730 days for completion from contract commencement dates. Notice to Commence Works for 3 lots was issued by Q2 2023: (Lot 1: 12 Feb 2023; Lot 2: 15 Apr 2023; Lot 3: 19 May 2023). One WIM system is included in the Lot 1 contract and the other WIM system is included in the Lot 3 contract. For Subproject 2, the implementation progress as of 14 July 2023: Physical progress at 66.99% against the planned 70.71%, with a performance rate of 94.73% and a deficit of 3.72%. The elapsed time is 1038/1252 days (82.91%), with approximately 33.01% of physical works remaining.
Geographical Location	Boysun
Safeguard Categories	
Environment	B
Involuntary Resettlement	A
Indigenous Peoples	C
Summary of Environmental and Social Aspects	
Environmental Aspects	In compliance with ADB's Safeguard Policy Statement (2009), the project is classified as category B for the environment. The IEE reports, including the EMP, were prepared and disclosed in compliance with ADB's SPS for subprojects 1 and 2. Potential impacts include dust and vehicular emissions, waste generation, and occupational and community health and safety. They can be readily mitigated by implementing the EMP. Subproject 1's EMP includes the preparation and implementation by the contractors of a health and safety management plan and an emergency response plan to mitigate COVID-19 risks for workers and local communities. Such plans were prepared for subproject 2 in July 2020 and are being implemented.

Involuntary Resettlement The project is classified as category A for involuntary resettlement. For subproject 1, 54.92 hectares will be permanently affected, impacting a total of 266 land users. They include 115 households that will lose residential structures and land and 151 small business owners and farmers. Twenty-eight households (with 159 members), who will be physically displaced from housing, and 81 business owners and farmers, who will lose 10% or more of their productive assets, are considered severely affected. For subproject 2, the impacted five households and three individual entrepreneurs were compensated under a project of the Second CAREC Corridor 2 Road Investment Program (Tranche 3), as reported in a LARP implementation compliance report. Impacts on two people identified in the social due diligence report in July 2021 have been dealt with. A LARP based on the detailed design following ADB's Safeguard Policy Statement and government regulations has been prepared and disclosed.

Indigenous Peoples The country in general and the project area in particular do not have indigenous peoples' communities as defined in ADB's SPS. The project is classified as category C for indigenous people.

Stakeholder Communication, Participation, and Consultation

During Project Design A LARP based on the detailed design following ADB's SPS and government regulations has been prepared and disclosed. Consultations with affected people and communities have been conducted and will be continued during project implementation. The Committee for Roads will ensure that (i) the required budget for LARP implementation is allocated on time, (ii) the khokimiyats (mayor's office) finalize the land allocation documents and provide all approved compensation payments as per the final LARP, and (iii) no affected people will be displaced until they have received compensation and other entitlements as per the final LARP. The LARP and social due diligence report were disclosed on the ADB and the Committee for Roads websites on 5 November 2021. Public information brochures on the LARP have been disseminated to affected people.

During Project Implementation The grievance redress mechanism is adequate and commensurate to the project risks and impacts. For subproject 1, the award of the civil works contract will be conditional on ADB approval and disclosure of an implementation-ready LARP. Handing over sections with land acquisition and resettlement impacts for civil works will be conditional on the full implementation of the LARP in such sections, as verified in a compliance report prepared by an external monitor. Safeguard impacts from both subprojects have been adequately assessed and measures to deal with the impacts are adequate. Monitoring will continue throughout project implementation. In case gaps are noted, Committee for Roads will take corrective actions agreed with ADB.

Business Opportunities

Consulting Services All consulting services will be undertaken in accordance with ADB Procurement Policy and ADB Procurement Regulations for ADB Borrowers for Goods, Works, Nonconsulting and Consulting Services (2017, as amended from time to time). To expedite project implementation, advance contracting will be conducted for recruitment of consulting services.

Procurement All procurement will be undertaken in accordance with ADB Procurement Policy and ADB Procurement Regulations for ADB Borrowers for Goods, Works, Nonconsulting and Consulting Services (2017, as amended from time to time). To expedite project implementation, advance contracting will be conducted for procurement of civil works.

Responsible ADB Officer	Oh, Yongkeun
Responsible ADB Department	Sectors Group
Responsible ADB Division	Transport Sector Office (SG-TRA)
Executing Agencies	Committee for Roads

Timetable

Concept Clearance	04 Nov 2019
Fact Finding	06 Sep 2021 to 10 Sep 2021
MRM	24 Nov 2021
Approval	22 Feb 2022
Last Review Mission	-
Last PDS Update	21 Jul 2023

Loan 4174-UZB

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
22 Feb 2022	25 Mar 2022	27 Apr 2022	30 Jun 2027	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	336.93	Cumulative Contract Awards			
ADB	273.85	28 Aug 2023	215.84	0.00	79%
Counterpart	63.08	Cumulative Disbursements			
Cofinancing	0.00	28 Aug 2023	69.04	0.00	25%

TA 6908-UZB

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
22 Feb 2022	-	22 Feb 2022	31 Dec 2022	31 Dec 2023	-

Financing Plan/TA Utilization	Cumulative Disbursements
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ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
150,000.00	0.00	0.00	0.00	0.00	0.00	150,000.00	28 Aug 2023	18,220.00

Status of Covenants						
Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	Satisfactory	Satisfactory	Satisfactory	Satisfactory	-	Satisfactory

Project Page	https://www.adb.org/projects/53312-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=53312-001
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