Uzbekistan: Preparing Urban Development and Improvement Projects

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Preparing Urban Development and Improvement Projects</th>
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<tbody>
<tr>
<td>Project Number</td>
<td>53317-001</td>
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<tr>
<td>Country</td>
<td>Uzbekistan</td>
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<tr>
<td>Project Status</td>
<td>Active</td>
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<tr>
<td>Project Type / Modality of Assistance</td>
<td>Technical Assistance</td>
</tr>
<tr>
<td>Source of Funding / Amount</td>
<td>TA 9715-UZB: Preparing Urban Development and Improvement Projects</td>
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<tr>
<th>Strategic Agendas</th>
<th>Environmentally sustainable growth</th>
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<tr>
<td>Drivers of Change</td>
<td>Governance and capacity development</td>
</tr>
<tr>
<td>Sector / Subsector</td>
<td>Water and other urban infrastructure and services - Other urban services - Urban sanitation - Urban sewerage</td>
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<tr>
<td>Gender Equity and Mainstreaming</td>
<td>Effective gender mainstreaming</td>
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ADBox will apply a comprehensive and programmatic approach to develop more integrated urban development solutions. The transaction TA facility will provide project preparation support to a series of ensuing projects, comprising: (i) Tasker Province Sewerage Improvement Project ($160 million); (ii) Uzbekistan Water Supply and Sanitation Development Program ($200 million); (iii) Uzbekistan Integrated Urban Development Project ($200 million); and (iv) Uzbekistan Solid Waste Management Development Project ($150 million) (Appendix 3). The transaction TA facility will support improvement of WSS and other public services through technical, policy, and capacity development, in both urban and rural areas. Uzbekistan now has stronger country systems and capacity and using the principle-based sector program approach will give the country a greater sense of ownership. An integrated approach will be applied to the development of economic growth clusters with stronger urban rural linkages. Support in these areas, including tourism development, will cover urban planning and management, urban rural linkages and provision of public services, cultural heritage protection, information and communications technology, public-private partnership arrangements, and small and medium-sized enterprises (SME) and women business enterprise (WBE) development.

Achievements have been accomplished in utility management, water quality management, and financial sustainability. Extensive experience has been gained in effective project design and implementation. ADB's assistance has been closely aligned with the government's evolving development priorities, to improve living conditions, create a sustainable environment, and strengthen economic competitiveness. To date, more than 5 million residents (more than 15% of the population) are benefitting from the assistance. Since 1997, ADB has provided loan financing of more than $700.0 million for eleven investment projects in the sector, and grant funding of $2.5 million for sector enhancement (Appendix 4).

Significant development challenges remain. Despite strong economic growth, which is particularly attributable to urban areas, the country suffers from persistent WSS service limitations in both urban and rural areas. The nation's Soviet-era centralized wastewater systems are dilapidated and as a result, vast quantities of untreated wastewater are discharged into rivers, surface impoundments, and groundwater resources. Surface water pollutants often far exceed maximum allowable concentrations. Networks and treatment facilities need immediate rehabilitation. These deficiencies have resulted in WSS service inequalities, environmental deterioration, and public health threats, in turn causing constrained economic growth. Traditional separation of gender roles where women are primarily responsible for domestic chores results in women's poverty, and the lack of reliable WSS service increases this burden. Urban areas already face the challenges of having aging public infrastructure, unreliable public services, and limited financial resources now face additional stress due to rapid population growth.

Programmatic approach for urban development. Following ADB's earlier support in the WSS sector, the government has emphasized the need for ADB support through a strategic and coordinated sequence of projects, that would create synergy between investments and technical assistance, strengthening the impact of the proposed assistance. The approach will focus on priority interventions that will target the key WSS and urban development issues. It will contain innovative features, including high technology applications, and advancing the readiness for public-private partnership arrangements. This approach will ensure that ADB's investments will play a catalytic role in the government's broader urban development program.

The Asian Development Bank (ADB) has had a fruitful partnership with Uzbekistan on urban development for two decades, particularly in the water supply and sanitation (WSS) sector, a relationship which is deepening and expanding in scope, both on project finance and sector reform. Achievements have been accomplished in utility management, water quality management, and financial sustainability. Extensive experience has been gained in effective project design and implementation. ADB's assistance has been closely aligned with the government's evolving development priorities, to improve living conditions, create a sustainable environment, and strengthen economic competitiveness. To date, more than 5 million residents (more than 15% of the population) are benefitting from the assistance. Since 1997, ADB has provided loan financing of more than $700.0 million for eleven investment projects in the sector, and grant funding of $2.5 million for sector enhancement (Appendix 4).

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Ensuing Projects. The support is broadly based. It includes project loans and TA to (i) improve the urban services and environment; (ii) to make cities in Uzbekistan more liveable with better public service; and (iii) to stimulate inclusive and sustainable economic growth through integrated approach and strengthened urban rural linkages, rehabilitated and upgraded infrastructure and strengthened institutional and management capacity.

The transaction TA facility will help to prepare these interrelated projects and TA. It will ensure a consistent approach to urban development, address cross-sectoral themes, develop local capacity for improved project implementation, enhance project readiness, and strengthen overall coordination and cooperation for the country's sustainable urban development. The design of the transaction TA facility follows ADB's sector and thematic operational plans, namely the Water Operational Plan 2011-2020, Urban Operational Plan 2012-2020, and the Environmental Operational Directions 2013 2020 and will contribute to key operation priorities such as liveable cities, governance and institutional capacity improvement, and environmental sustainability enhancement under Strategy 2030.
Description of Project Outputs

Status of Implementation Progress (Outputs, Activities, and Issues)

Geographical Location

Nation-wide, Tashkent, Tashkent

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services

International and national consultants will be engaged to complete all TA projects. The indicative consultants' input allocation is shown in Appendix 2. These estimates will be finalized in consultation with the government. The consulting firm and individual consultants will be recruited based on the requirements of each TA project. The consulting firm will be engaged in accordance with the quality- and cost-based selection method, with a quality-cost ratio of 90:10 using full, simplified, or bio-data technical proposal. Individual consultants, will be selected using the individual consultant's selection method to provide specialized technical and administrative inputs to fulfill ADB due diligence requirements and enhance project readiness. The recruitment of all consultants will be carried out in accordance with ADB's Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions. Lump-sum or output-based contracts will be considered for consulting services, consistent with ADB’s Strategy 2030, to reduce administrative burden and improve the economy, efficiency, and value for money. The consultants will procure any goods and equipment purchased under the TA and will turn them over to the executing agency at or before the completion of the TA.

Procurement

To be procured by consultants.

Responsible ADB Officer

Jung Ho Kim

Responsible ADB Department

Central and West Asia Department

Responsible ADB Division

Urban Development and Water Division, CWRD

Executing Agencies

Ministry of Housing and Communal Services of the Republic of Uzbekistan

1, Niyazbek yuli street, Yunusabad, Dist Tashkent, Republic of Uzbekistan, 100035

State Committee for Ecology and Environmental Protection (formerly State Committee for Nature Protection)

5, Mustakillik street, Tashkent Uzbekistan

Timetable

Concept Clearance

Fact Finding

MRM

Approval

28 Jan 2019

Last Review Mission

28 Jan 2019

Last PDS Update

22 Feb 2019

TA 9715-UZB

Milestones

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<th>Effectivity Date</th>
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<tr>
<td>28 Jan 2019</td>
<td>22 Feb 2019</td>
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<td>31 Dec 2023</td>
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Financing Plan/TA Utilization

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<td>Gov Beneficiaries Project Sponsor Others</td>
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Project Page

https://www.adb.org/projects/52317-001/main

Request for Information

http://www.adb.org/forms/request-information-form?subject=52317-001

Date Generated

21 August 2019

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