



## Project Concept Paper

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Project Number: 51034-002  
June 2019

# Proposed Loan Uzbekistan: Sustainable Solid Waste Management Project

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Asian Development Bank



## **CURRENCY EQUIVALENTS**

(as of 31 May 2019)

Currency unit	–	sum (SUM)
SUM1.00	=	\$0.0001178424
\$1.00	=	SUM8,485.91

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
EA	–	executing agency
MSW	–	municipal solid waste
O&M	–	operation and maintenance
PMU	–	project management unit
PPP	–	public-private partnership
SCEEP	–	State Committee for Ecology and Environmental Protection
SWM	–	solid waste management
TRTA	–	transaction technical assistance

## **NOTE**

In this report, "\$" refers to United States dollars unless otherwise stated.

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## PROJECT AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number: 51034-002</b>	
<b>Project Name</b>	Sustainable Solid Waste Management Project	<b>Department /Division</b>	CWRD/CWUW
<b>Country</b>	Uzbekistan	<b>Executing Agency</b>	State Committee for Ecology and Environmental Protection (formerly State Committee for Nature Protection)
<b>Borrower</b>	Uzbekistan		
<b>2. Sector</b>		<b>ADB Financing (\$ million)</b>	
✓ <b>Water and other urban infrastructure and services</b>	Urban policy, institutional and capacity development		20.00
	Urban solid waste management		40.00
	<b>Total</b>		<b>60.00</b>
<b>3. Strategic Agenda</b>		<b>Climate Change Information</b>	
Inclusive economic growth (IEG)	Pillar 2: Access to economic opportunities, including jobs, made more inclusive	CO <sub>2</sub> reduction (tons per annum)	6
Environmentally sustainable growth (ESG)	Environmental policy and legislation Global and regional transboundary environmental concerns Urban environmental improvement	Climate Change impact on the Project	Medium
		<b>ADB Financing</b>	
		Adaptation (\$ million)	6.00
		Mitigation (\$ million)	9.00
<b>4. Drivers of Change</b>		<b>Gender Equity and Mainstreaming</b>	
Governance and capacity development (GCD)	Institutional development Institutional systems and political economy	Effective gender mainstreaming (EGM)	✓
Knowledge solutions (KNS)	Application and use of new knowledge solutions in key operational areas Pilot-testing innovation and learning		
Private sector development (PSD)	Conducive policy and institutional environment		
<b>5. Poverty and SDG Targeting</b>		<b>Location Impact</b>	
Geographic Targeting	No	Rural	Medium
Household Targeting	No	Urban	Medium
General Intervention on Poverty	Yes		
SDG Targeting	Yes		
SDG Goals	SDG5, SDG11, SDG12, SDG13		
<b>6. Risk Categorization:</b>	Low		
<b>7. Safeguard Categorization</b>	Environment: B Involuntary Resettlement: B Indigenous Peoples: C		
<b>8. Financing</b>			
<b>Modality and Sources</b>		<b>Amount (\$ million)</b>	
<b>ADB</b>		<b>60.00</b>	
Sovereign Project (Regular Loan): Ordinary capital resources		60.00	
<b>Cofinancing</b>		<b>0.00</b>	
None		0.00	
<b>Counterpart</b>		<b>10.00</b>	
Government		10.00	
<b>Total</b>		<b>70.00</b>	
Currency of ADB Financing: USD			



# PROBLEM TREE

**EFFECTS**

Increasing environmental degradation

Deteriorating health conditions

Constrained economic growth

**CORE PROBLEM**

Ineffective existing solid waste management system with sporadic and inefficient collection system, poorly developed recycling initiatives, and rudimentary disposal sites threaten public health and the environment

**CAUSES**

**Need for policy, planning and regulatory overhaul**

**Utility deficiencies result in service quality and coverage under-performance**

**Financing and cost recovery gaps constrain infrastructure which leads to pollution**

**Benefits of stakeholder awareness and engagement are not being realized**

Institutional framework is fragmented

Sector needs comprehensive regulations and strengthened compliance mechanism

Utilities need to adopt performance oriented management techniques and improve technical capabilities

Low service coverage

Private sector opportunities are being missed to improve SWM service efficiencies and expand recycling

Solid waste collection, transfer, treatment and disposal facilities are obsolete

Waste handling and disposal practices threaten public health and pollute the environment

Waste minimization and recycling initiatives are not mainstreamed

Capital investment and operations and maintenance funding is insufficient

Tariffs cannot support required investments

Stakeholder involvement is not universal, and concepts of recycling, environmental protection, and climate change are poorly understood

Need for public awareness in best practice solutions relating to waste reduction, reuse and recycling

= Causes and sub-causes that the project will address



## I. THE PROJECT

1. The proposed Sustainable Solid Waste Management Project will assist the Government of Uzbekistan (government) to develop the nation's solid waste management (SWM) sector by (i) supporting sector reforms; and (ii) improving access to SWM services for small cities and peri-urban and rural citizens.

### A. Rationale

2. **Economic growth.** Uzbekistan has achieved rapid, sustainable economic growth over the past decade and is one of Central and West Asia's fastest growing economies.<sup>1</sup> With the objective of attaining upper middle-income status by 2030, the government has launched an innovative reform process to gradually transit to a market-oriented economy, underpinned by private sector growth.<sup>2</sup> The provision of sustainable infrastructure services is critical in succeeding in these reforms.

3. **SWM challenges to sustaining growth.** Despite its progressive development mandate, Uzbekistan is inhibited by pervasive infrastructure service limitations, notably in relation to SWM. It is estimated that the nation generates over 12,000 tons/day (over 4.4 million tons/year) of municipal solid waste (MSW),<sup>3</sup> which is projected to increase to over 18,000 tons/day (6.6 million tons/year) by 2035, cumulatively generating over 100 million tons by 2035. The existing SWM system is unprepared to meet this demand: MSW reuse and recycling initiatives are poorly developed, MSW collection services are sporadic and inefficient, and the nation's rudimentary disposal sites threaten the environment and public health.<sup>4</sup> The majority of the population (70%) has not even been served at all, being left to organize their own localized collection services or to self-dump MSW within their communities.

4. **The dangers of MSW dumping.** As the nation's dumpsites and scattered waste piles lack modern, engineered environmental protection systems, they can cause significant, long-term impacts to nearby receptors and environs. These facilities can create dust, generate odors, cause flooding, and are ideal breeding sites for disease vectors.<sup>5</sup> They also can generate contaminated liquids (leachates) that pollute lands and water resources, and landfill gas that is toxic, explosive, and contributes substantially to atmospheric degradation and global warming. Particulates and dust levels can be high at these facilities and can include asbestos and other dangerous dusts. Most of the dumped MSW in Uzbekistan is also left uncovered: accentuating these impacts and exposing humans to direct waste contact. These facilities are also vulnerable to climate change threats, particularly to heavy precipitation and flooding impacts. Communities along dumpsite access corridors can also often suffer from traffic, noise, dust, litter and accidents.

5. **Limited institutional capacity.** SWM services are provided by municipalities. Outside of Tashkent City, however, SWM service provision is weak, with municipal administrations struggling to provide even rudimentary levels of SWM service. Regulatory and institutional frameworks are

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<sup>1</sup> Uzbekistan's gross domestic product grew consistently at over 7% annually to 2016, with growth being predicted at over 5% through to at least 2019 ([www.adb.org/countries/uzbekistan/economy](http://www.adb.org/countries/uzbekistan/economy)).

<sup>2</sup> Incorporating the 'Strategy of Actions in Five Priority Directions of Development of the Republic of Uzbekistan in 2017-2021' ([www.strategy.gov.uz](http://www.strategy.gov.uz)).

<sup>3</sup> MSW is non-hazardous solid waste from residential, commercial and institutional establishments. It also includes green waste and street sweeping waste.

<sup>4</sup> These disposal sites, known as dumpsites, are where MSW is dumped onto natural lands and left uncovered. A total of 296 dumpsites have been identified in Uzbekistan during recent surveys.

<sup>5</sup> MSW is often laden with food and organic waste, making it a suitable habitat for vermin such as flies, mosquitoes, mice, rats, dogs and birds.

fragmented, compliance and accountability mechanisms poorly developed, and enforcement largely ineffective.<sup>6</sup> Utility operators have limited capacity, and lack performance-based management foci. Funding constraints are also acute, exacerbated by low or absent tariffs, and low public financing. Private sector involvement is limited, with opportunities being missed to improve SWM service efficiencies and expand the recycling sector. Stakeholder involvement is low, and concepts of recycling, environmental protection, and climate change poorly understood. These deficiencies constrain SWM service delivery, resulting in urban-rural access inequalities, environmental degradation, public health threats, and as a consequence, constrained economic growth.

6. **Sector reform initiatives.** In response, government is reforming the sector by (i) enacting a SWM strategy and related government resolutions;<sup>7</sup> (ii) creating SWM service zones in urban areas, to be implemented through public-private-partnerships (PPPs); (iii) establishing SWM state unitary enterprises, known as *Toza Hudud*, to provide small urban centers, peri-urban and rural SWM services;<sup>8</sup> (iv) mobilizing recyclers; (v) introducing best-practice SWM technologies; and (vi) incentivizing foreign direct investment.<sup>9</sup> Since 2016, nationwide MSW collection coverage has improved from less than 30% to about 50%, and approximately 5,000 jobs have been created. ADB has been actively assisting government to rehabilitate and expand the Tashkent City SWM system, and to formulate the above-mentioned national SWM strategy.<sup>10</sup> Similarly, the Agence Française de Développement is implementing a SWM project in Samarkand City, and willing to complement ADB's intervention in assisting the government to realize the national SWM strategy.

7. With regard to SWM improvements in small urban centers, peri-urban and rural areas, government is now implementing three broad phases of sector reforms: (i) an initial phase to strengthen the regulatory framework, rationalize and operationalize SWM service delivery institutions, address acute MSW collection deficiencies, and improve dumpsites; (ii) a second phase to achieve universal SWM collection coverage, and transit from existing dumpsites to modern sanitary landfills; and (iii) a third phase to accelerate waste reduction and recycling initiatives, and incorporate alternative technologies. Government has already established the *Toza Hudud*, transferred municipality assets to them, and begun to improve small urban centers, peri-urban and rural collection systems and dumpsites.

8. **Priority needs.** Although progress is being achieved, government has requested ADB assistance to specifically support first-phase reforms in small cities and peri-urban and rural areas. This assistance includes: (i) developing SWM regulatory and legislative frameworks; (ii)

<sup>6</sup> Due in part to enforcement capacity limitations of the State Committee on Ecology and Environmental Protection of the Republic of Uzbekistan (SCEEP), which is responsible for ecological and environmental protection and the rationale use of natural resources including land, mineral resources, water, forests, flora, fauna, and the atmosphere.

<sup>7</sup> Presidential Resolution No. 2916 *On Measures to Fundamentally Improve and Develop Household Waste Management System in 2017-2021*. Presidential Decree No. 3730 *On Measures to Further Improve the Household Waste Management System*. Decree of the Cabinet of Ministers No. 787 *On Measures to Further Improve Efficiency in Solid Waste Management Operations introducing Rules for Placement and Usage of Infrastructural Units Relating to the Solid Waste Management*. Decree of the Cabinet of Ministers No. 765 *On Measures for Improving the System for Assignment of Territories for Solid Waste Management Services*. The Law of the Republic of Uzbekistan No. ZRU-495 introducing amendments and additions to the Administrative Liability Code for SWM violations.

<sup>8</sup> *Toza Hudud* State Unitary Enterprises have been established, pursuant to the Decree of the President of Uzbekistan No. PP-2916 issued in April 2017, in each of the nation's 12 *oblasts* (provinces), under their respective Oblast Departments for Ecology and Environmental Protection. In addition, an Ecological and Environmental Committee (EEC) has been established in the autonomous Republic of Karakalpakstan.

<sup>9</sup> Presidential Decree No. 3594 dated 11 April 2005 has been modified to provide foreign direct investment tax privileges of up to seven years, depending on investment amount.

<sup>10</sup> ADB. 2013. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the Government of Uzbekistan for the Solid Waste Management Improvement Project*. Manila.

operationalizing regulatory and service delivery institutions; and (iii) filling investment gaps to provide first-phase SWM vehicles and equipment, and interim dumpsite improvements.<sup>11</sup>

## B. Proposed Solutions

9. The project responds directly to these needs by fostering policy dialogue, formulating regulatory directives, operationalizing and strengthening sector regulation and service delivery institutions, and financing priority infrastructure and dumpsite remedial works. It aligns with ongoing ADB-funded projects,<sup>12</sup> supports key operational priorities of ADB's Strategy 2030,<sup>13</sup> and furthers Sustainable Development Goals.<sup>14</sup> It is also included in ADB's lending program for 2019 under the country operations business plan, 2019–2021 for Uzbekistan. Lessons to be incorporated in the project design include the need to (i) reduce project procurement delays, (ii) recruit qualified consultants in a timely manner, (iii) maintain quality standards for civil works structures, and (iv) adopt least-cost solutions in project design and implementation. The project will be aligned with the following impact: environment, health, and living conditions improved. The project will have the following outcome: reliable and sustainable SWM services improved and expanded in priority small urban centers, peri-urban and rural areas nationwide.<sup>15</sup> Proposed outputs are summarized as follows:

10. **Output 1: SWM sector regulatory framework enhanced** through formulation of key regulatory directives that stipulate the vision, means, methods, resources, and timeframes for SWM sector development. These will institute: (i) performance accountability units (PAUs) in residential areas; (ii) PAU service zones; (iii) performance standards, accountability and management arrangements; (iv) institutionalized performance monitoring and enforcement; (v) optimized sector financing and cost recovery mechanisms;<sup>16</sup> (vi) a PPP enabling environment; and (vii) other measures to improve SWM performance and sustainability.

11. **Output 2: Toza Hudud capacity strengthened** by (i) instituting management systems;<sup>17</sup> (ii) adopting and strengthening management information systems for billing, accounting, financial management, and public reporting; (iii) implementing training modules in basic SWM utility management and SWM system operations and maintenance (O&M), including staff accreditation; and (iv) establishing a performance benchmarking system.

12. **Output 3: Environmental monitoring and enforcement capabilities of the State Committee on Ecology and Environmental Protection (SCEEP) improved** by (i) formulating key performance indicators for SWM compliance; (ii) conducting training programs for personnel, culminating in international qualification accreditation; (iii) establishing a nationally accredited

<sup>11</sup> SCEEP has identified that between 2019 and 2021, an additional 143 disposal sites need to be improved, 644 waste collection points constructed, and 732 vehicles and equipment units, and 3,623 containers procured.

<sup>12</sup> Including ADB. 2013. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the Government of Uzbekistan for the Solid Waste Management Improvement Project*. Manila.

<sup>13</sup> ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient and Sustainable Asia and the Pacific*. Manila. The project supports key operational priorities by promoting rural development, strengthening governance and institutional capacity, and building climate resilience.

<sup>14</sup> Sustainable Development Goals of the United Nations Development Programme: Goal 5: Achieve Gender Equality; Goal 11: Sustainable Cities and Communities; Goal 12: Responsible Consumption and Production; and Goal 13: Climate Action.

<sup>15</sup> The design and monitoring framework is in Appendix 1.

<sup>16</sup> Including (i) establishment of *Toza Hudud* financial systems, (ii) funding prioritization to sequentially address most critical SWM needs, (iii) integration of development partner financing, and (iv) maximizing private sector investment.

<sup>17</sup> For performance management, asset management, financial management, customer relations management, and external and internal accountability.

environmental testing laboratory; and (iv) strengthening public accountability and discourse on environmental monitoring and enforcement.<sup>18</sup>

13. **Output 4: SWM collection and interim disposal services in small urban centers, peri-urban and rural areas improved nationwide** by (i) building up operational asset bases in *Toza Hudud*, including the procurement of SWM collection vehicles, containers and disposal site machinery;<sup>19</sup> (ii) constructing MSW collection stations; (iii) establishing O&M centers for SWM vehicles and equipment in each of the 13 *Toza Hudud* potentially using PPP modalities under a holistic PPP program; and (iv) the interim remediation of up to ten existing dumpsites in selected areas.

14. ADB adds value by:

- (i) **Enhancing the policy and regulatory framework for SWM.** ADB's intervention will support the government in formulating sector regulatory directives, which is a natural progression to ADB's recent assistance in the formulation of government's national SWM strategy. The intervention creates an opportunity for ADB to continue to contribute to sector policy reforms to protect the environment, boost economic growth, and reduce poverty.
- (ii) **Advancing technology and innovation.** The project will ensure the provision of modern and efficient SWM equipment and vehicles that meet international environmental emission standards and therefore contribute to reducing greenhouse gas emissions. It will also introduce internationally-recognized dumpsite remediation techniques and practices.
- (iii) **Institutional strengthening.** Supporting government's ongoing institutional reforms, the project will help to instill modern utility management concepts and practices in *Toza Hudud* to improve their efficiency and sustainability. It will also provide SCEEP with the tools and capabilities necessary to enhance its environmental monitoring and enforcement capabilities.
- (iv) **Optimizing private sector intervention.** The project will identify and prioritize PPP opportunities wherever appropriate in waste segregation and recycling, MSW collection services, SWM vehicle and equipment maintenance, and MSW disposal services.
- (v) **Responding to climate change.** The project will enhance the climate resilience of communities by incorporating climate mitigation and adaptation solutions in dumpsite remediation works. These primarily relate to (i) final cover designs, and (ii) surface drainage and storm retention features.

### C. Proposed Financing Plans and Modality

15. The project is estimated to cost \$70 million. The tentative financing plan is provided in Table 1. The government has requested a loan of \$60 million from ADB's regular ordinary capital resources to help finance civil works, goods and equipment, and consulting services for project implementation, policy reform, legislative and regulatory development, and institutional capacity building. ADB will finance 100% of adaptation costs, estimated at \$6 million, and mitigation costs estimated at \$9 million, primarily through switching to less polluting SWM vehicles and equipment.

<sup>18</sup> Including the mobilization and strengthening of local community groups in order to monitor and manage *Toza Hudud* and PAU performance, and environmental compliance matters.

<sup>19</sup> Thirteen *Toza Hudud* entities with 174 branches nationwide were recently created pursuant to the Decree of the President of Uzbekistan No. PP-2916 issued in April 2017. They currently lack most of the assets required for service deliverance.

**Table 1: Indicative Financing Plan**

<b>Source</b>	<b>Amount (\$ million)</b>	<b>Share of Total (%)</b>
Asian Development Bank		
Ordinary capital resources (Regular loan)	60.0	85.7
Government <sup>a</sup>	10.0	14.3
<b>Total</b>	<b>70.0</b>	<b>100.0</b>

<sup>a</sup> Government contribution includes taxes and duties.

Source: Asian Development Bank estimates.

## **D. Implementation Arrangements**

16. The SCEEP will be the executing agency. A project management unit (PMU) will be established in SCEEP and will report directly to it. The PMU's responsibilities will include procurement, contract management, financial management, program administration, safeguards compliance, and reporting. A project implementation consultant will be recruited through the PMU to assist with project implementation. The National Coordination Entity of the Toza Hudud will be the implementing agency responsible for day-to-day project implementation functions. Table 2 shows the indicative implementation arrangements.

**Table 2: Indicative Implementation Arrangements**

<b>Aspects</b>	<b>Arrangements</b>
Indicative implementation period	December 2019 – December 2025
Indicative completion date	December 2025
<b>Management</b>	
(i) Executing agency	State Committee on Ecology and Environmental Protection
(ii) Implementing agency	National Coordination Entity of Toza Hudud

Source: Asian Development Bank estimates.

## **II. PROJECT PREPARATION AND READINESS**

17. A transaction technical assistance (TRTA) will be sourced from the TRTA facility (F-TRTA).<sup>20</sup> The TRTA is estimated to cost \$700,000. An international firm will be recruited to: (i) conduct a comprehensive sector review; (ii) identify existing SWM deficiencies; (iii) propose solutions, including policy, regulatory, institutional, and financial interventions; and (iv) prepare project feasibility studies and business plans for the *Toza Hudud*. In addition, TA 9033 (R-PATA) 'Conducting Procurement Risk Assessment for Improved Procurement Outcomes', will support project procurement risk assessment.

## **III. DELIBERATIVE AND DECISION-MAKING ITEMS**

### **A. Risk Categorization**

18. The project is categorized as low risk for the following reasons: (i) the loan amount will be \$60 million; and (ii) none of the environmental, involuntary resettlement or indigenous people's safeguard categories are indicated as Category A.

### **B. Project Procurement Classification**

19. The proposed project's procurement classification is categorized as B, as outlined in Appendix 2.

<sup>20</sup> ADB. 2019. *Transaction Technical Assistance Facility Report: Preparing Urban Development and Improvement Projects*. Manila. The project is Subproject 1 under the F-TRTA.

### C. Scope of Due Diligence

**Table 3: Scope of Due Diligence**

Due Diligence Outputs	To be undertaken by
Sector assessment	Staff and TRTA Consultants
Governance risk assessment including public financial management, business plan for <i>Toza Hudud</i> , procurement, anticorruption, policy, and legal issues	Staff and TRTA Consultants
Economic analysis	Staff and TRTA Consultants
Financial management assessment, financial evaluation, and financial analysis	Staff and TRTA Consultants
Gender analysis, collection of baseline data, and gender action plan	Staff and TRTA Consultants
Safeguard screening and categorization results	Staff
Initial poverty and social analysis	Staff
Project administration manual	Staff
Risk assessment and management plan	Staff
Integrity due diligence	Staff
Procurement risk assessment and strategic procurement planning	R-PATA Consultant
Safeguard documents on environment, involuntary resettlement, and/or indigenous peoples	Staff and TRTA Consultants
Summary poverty reduction and social strategy	Staff and TRTA Consultants

R-PATA = regional policy and advisory technical assistance, TRTA = transaction technical assistance.

Source: Asian Development Bank estimates.

### D. Processing Schedule and Sector Group's Participation

20. Close interdepartmental collaboration with the Sustainable Development and Climate Change Department, Office of Public-Private Partnership and other appropriate departments will also be maintained. The proposed processing schedule is presented below.

**Table 4: Processing Schedule by Milestone**

Milestones	Expected Completion Date
Concept Paper approval	June 2019
TRTA consultant mobilization	July 2019
Loan fact finding	October 2019
Staff review meeting	November 2019
Loan negotiations	November 2019
Loan approval	December 2019
Loan signing	February 2020

### E. Key Processing Issues and Mitigation Measures

**Table 5: Issues, Approaches and Mitigation Measures**

Key Processing Issues	Proposed Approaches and/or Mitigation Measures
1. Ensuring that SWM system investments, and O&M requirements are appropriate for local conditions.	Detailed technical and institutional assessments and due diligence activities will be completed during TRTA implementation.
2. Implementing agency capacity needs strengthening, particularly relating to utility management, procurement and program implementation.	The TRTA includes capacity support to strengthen institutional capacity.
3. Delays in government processing and approvals.	Close coordination will be maintained with relevant government agencies to minimize delays.

O&M = operation and maintenance, SWM = solid waste management, TRTA = transaction technical assistance.

## PRELIMINARY DESIGN AND MONITORING FRAMEWORK

Impact the project is aligned with: environment, health, and living conditions improved (Project defined).			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
<p><b>Outcome</b> Reliable and sustainable SWM services improved and expanded in small urban centers, peri-urban and rural areas nationwide</p>	<p>By Q4 2025:</p> <p>a. At least X unserved or under-served inhabitants of small urban centers, peri-urban and rural areas of Uzbekistan receive regular SWM collection, transfer and disposal services (2019 Baseline: 0)</p> <p>b. At least X% of MSW generated in the project's SWM service zones is collected, transferred and disposed of through municipal SWM systems (2019 Baseline: X%)</p> <p>c. Consumer (sex-disaggregated) satisfaction with the quality of SWM services increased to X% (2019 Baseline: X%)</p> <p>d. Collection efficiency of SWM tariffs maintained at X% for households and X% for institutional and commercial establishments (2019 Baseline: X% for households, and X% for institutional and commercial establishments)</p>	<p>a-d. EA project completion report and survey report</p>	<p>Tariff increases are not fully implemented</p>
<p><b>Outputs</b> 1. SWM sector regulatory framework enhanced</p>	<p><b>Indicative Policy Actions</b></p> <p>1a. Sector-wide SWM regulatory directives formulated and approved by Q4 2021 (2019 Baseline: 0);</p> <p>1b. PAUs and PAU service zones established by Q4 2021 (2019 Baseline: 0)</p> <p>1c. Grievance redress mechanism instituted by Q4 2021 (2019 Baseline: 0)</p> <p>1d. Performance Management System established, and benchmarking system adopted by Q4 2022 (2019 Baseline: 0)</p> <p>1e. Sector financing mechanisms developed and adopted by Q4 2022 (2019 Baseline: 0)</p> <p>1f. Enabling regulatory framework for PPP in SWM adopted by Q4 2022 (2019 Baseline: 0)</p>	<p>1a-1f. Quarterly project progress reports, EA project completion report</p>	<p>Extreme weather events and climate change adversely affect infrastructure and service delivery</p>
<p>2. <i>Toza Hudud</i> capacity strengthened</p>	<p>2a. <i>Toza Hudud</i> operations manual developed and adopted by Q4 2021 (2019 Baseline: 0)</p> <p>2b. Training modules in basic SWM utility management, financial management, and SWM system O&amp;M completed by Q4 2022 (2019 Baseline: 0)</p>	<p>2a-2e. Quarterly project progress reports, EA project completion report</p>	

	<p>2c. At least three officers (of which at least one officer is a woman) from the each <i>Toza Hudud</i> trained and professionally certified by an accredited international training center in basic SWM utility management, financial management and SWM system O&amp;M by Q4 2022 (2019 Baseline: 0)</p> <p>2d. SWM sector performance benchmarking system developed and operational by Q4 2022 (2019 Baseline: 0)</p> <p>2e. KPI-based reporting by the <i>Toza Hudud</i> to the national-level <i>Toza Hudud</i> coordination entity implemented by Q4 2022 (2019 Baseline: 0)</p>		
3. Environmental monitoring and enforcement capabilities of SCEEP improved	<p>3a. One national-level environmental laboratory established and X laboratory personnel (of which at least 30% are women) assigned by Q4 2022 (2019 Baseline: 0)</p> <p>3b. Training modules in environmental monitoring, testing and compliance completed by Q2 2022 (2019 Baseline: 0)</p> <p>3c. At least X staff (of which at least X are women) from the national-level laboratory trained and professionally certified by an accredited international training center in X by Q2 2022 (2019 Baseline: 0)</p>	3a-3c. Quarterly project progress reports, EA project completion report	
4. SWM collection and interim disposal services in small urban centers, peri-urban and rural areas improved nationwide	<p>4a. X SWM collection vehicles, X containers and X units of disposal site machinery procured and commissioned by Q1 2024 (2019 Baseline: 0)</p> <p>4b. A SWM vehicles and equipment O&amp;M center established in each of the 13 regions by Q3 2025 (2019 Baseline: 0)</p> <p>4c. Interim dumpsite remediation works completed at 10 dumpsites by Q3 2025 (2019 Baseline: 0)</p>	4a-4c. Quarterly project progress reports, EA project completion report	
<p><b>Key Activities with Milestones</b></p> <p><b>1. SWM sector regulatory framework enhanced</b></p> <p>1.1. Mobilize consultants by Q1 2020</p> <p>1.2. Sector-wide SWM regulatory directives formulated and approved by Q4 2021</p> <p>1.3. PAUs and PAU service zones established Q4 2021</p> <p>1.4. Grievance redress mechanism instituted by Q4 2021</p> <p>1.5. Performance Management System established, and benchmarking system adopted by Q4 2022</p> <p>1.6. Sector financing mechanisms developed and adopted by Q4 2022</p> <p>1.7. Enabling regulatory framework for PPP in SWM adopted by Q4 2022</p> <p><b>2. <i>Toza Hudud</i> capacity strengthened</b></p> <p>2.1. Mobilize consultants by Q1 2020</p> <p>2.2. <i>Toza Hudud</i> operations manual developed and adopted by Q4 2021</p> <p>2.3. Training modules in basic SWM completed by Q4 2022</p> <p>2.4. At least three officers (of which at least one officer is a woman) from the each <i>Toza Hudud</i> trained by Q4 2022</p>			

<p>2.5. SWM sector performance benchmarking system developed and operational by Q4 2022</p> <p>2.6. KPI-based reporting by the <i>Toza Hudud</i> implemented by Q4 2022</p> <p><b>3. Environmental monitoring and enforcement capabilities of SCEEP improved</b></p> <p>3.1. Mobilize consultants by Q1 2020</p> <p>3.2. One national-level environmental laboratory established and X laboratory personnel assigned by Q4 2022</p> <p>3.3. Training modules in environmental monitoring, testing and compliance completed by Q2 2022</p> <p>3.4. At least X staff from the national-level laboratory trained and professionally certified by Q2 2022</p> <p><b>4. SWM collection and interim disposal services in small urban centers, peri-urban and rural areas improved nationwide</b></p> <p>4.1. Mobilize project Design and Supervision Consultants by Q2 2020 for interim dumpsite remediation works</p> <p>4.2. Commence civil works contract procurement by Q4 2020</p> <p>4.3. Award civil works contract(s) by Q2 2021</p> <p>4.4. Complete equipment procurement by Q1 2024</p> <p>4.5. X SWM collection vehicles, X containers and X units of disposal site machinery procured and commissioned by Q1 2024</p> <p>4.6. Complete civil works contract(s) by Q3 2025</p> <p>4.7. A SWM vehicles and equipment O&amp;M center established in each of the 13 regions by Q3 2025</p> <p>4.8. Interim dumpsite remediation works completed at 10 dumpsites by Q3 2025</p> <p><b>Project Management Activities</b></p> <p>Prepare and submit project progress reports</p>
<p><b>Inputs</b></p> <p>ADB: \$60.0 million</p> <p>Government: \$10.0 million</p>
<p><b>Assumptions for Partner Financing</b></p> <p>Not Applicable</p>

ADB = Asian Development Bank, EA = Executing Agency, KPI = key performance indicator, MSW = municipal solid waste, O&M = operation and maintenance, PAU = Performance Accountability Unit, SCEEP = State Committee on Ecology and Environmental Protection, SWM = solid waste management  
Source: Asian Development Bank

### PROJECT PROCUREMENT CLASSIFICATION

Characteristic	Assessor's Rating:
Is the procurement environment risk for this project assessed to be <i>high</i> based on the country and sector and/or agency risk assessments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are multiple (typically more than three) and/or diverse executing and/or implementing agencies envisaged during project implementation? Do these agencies lack prior experience in ADB project implementation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unknown
Are multiple contract packages and/or complex and high-value contracts expected (compared to recent donor-funded projects in the country)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unknown
Does the project plan to use innovative contracts (e.g., public-private partnership; performance-based; design and build; design, build, and operate; etc.)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unknown
Are contracts distributed in more than three geographical locations?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unknown
Are there significant ongoing contractual and/or procurement issues under ADB- (or other donor-) funded projects? Have instances of noncompliance been declared in respect of the executing and/or implementing agencies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unknown
Does the government or its executing or implementing agencies have prolonged procurement lead times, experience implementation delays, or otherwise consistently fail to meet procurement time frames?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown
Do executing or implementing agencies lack capacity to manage new and ongoing procurement? Have executing or implementing agencies requested ADB for procurement support under previous projects?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unknown
Does the relevant market in the country have characteristics that may materially limit reasonable competition and/or potentially expose the executing or implementing agency to any prohibited practices (e.g., fraud, corruption, collusion, etc.)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unknown
Where electronic government procurement is mandated, <sup>a</sup> do executing agencies face any challenges in its effective implementation (e.g., poor connectivity, technical, capacity of executing agencies and bidders, security, assessment and third-party audit compliance, policy/legal framework, underuse)?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Unknown According to CSPRA Report, there currently is no functioning e-Procurement system that covers the whole of Public Procurement.
<b>Regional department's overall recommendation (Ruoyu Hu)</b>	
Overall project categorization recommended	<input type="checkbox"/> Category A <input checked="" type="checkbox"/> Category B
Based on the initial findings of the Uzbekistan Country and Sector Procurement Risk Assessment (under final report preparation stage), due diligence during project preparation will include the project procurement risk assessment as well as the relevant market risk assessment as required under ADB's Guidance Notes on Procurement Risk Framework and Strategic Procurement Planning. The project processing team will involve the national procurement officer of URM, who will assist the team under the guidance of PFP1 staff. Though the EA has some experience through the ongoing Solid Waste Management Improvement Project, further capacity improvements in handling both large and small procurements in full compliance with ADB procurement procedures will be provided. PFP1 and URM will support the project team during processing and implementation to ensure suitable procurement arrangements and monitoring mechanisms are adopted and effectively implemented.	
<b>Procurement, Portfolio, and Financial Management Department's recommendation (Minhong Fan)</b>	
PPFD confirms the classification during interdepartmental circulation of the project concept paper.	

## TECHNICAL ASSISTANCE FACILITY UTILIZATION UPDATE

1. The technical assistance (TA) facility for Preparing Urban Development and Improvement Projects was approved on 28 January 2019 in an amount of \$3 million. As of 31 May 2019, contract awards stood at \$522,600 and no disbursements yet.

2. The TA facility will deliver the following specific outputs for the proposed Sustainable Solid Waste Management Project.

The major outputs and activities are summarized in Table A3.1.

Outputs	Delivery Dates	Key Activities with Milestones
<b>1. SWM sector regulatory framework enhanced</b>	Q4 2021	1.1. Sector-wide SWM regulatory directives formulated and approved
	Q4 2021	1.2. PAUs and PAU service zones established
	Q4 2022	1.3. Performance Management System established, and benchmarking system adopted
	Q4 2022	1.4. Sector financing mechanisms developed and adopted
	Q4 2022	1.5. Enabling regulatory framework for PPP in SWM adopted
<b>2. <i>Toza Hudud</i> capacity strengthened</b>	Q4 2025	1.6. Grievance redress mechanism instituted
	Q4 2021	2.1. <i>Toza Hudud</i> operations manual developed and adopted
	Q4 2022	2.2. Training modules in basic SWM completed
	Q4 2022	2.3. At least three officers (of which at least one officer is a woman) from the each <i>Toza Hudud</i> trained
	Q4 2022	2.4. SWM sector performance benchmarking system developed and operational
<b>3. Environmental monitoring and enforcement capabilities of SCEEP improved</b>	Q4 2022	2.5. KPI-based reporting by the <i>Toza Hudud</i> implemented
	Q4 2022	3.1. One national-level environmental laboratory established and X laboratory personnel assigned
	Q2 2022	3.2. Training modules in environmental monitoring, testing and compliance completed
<b>4. SWM collection and interim disposal services in small urban centers, peri-urban and rural areas improved</b>	Q2 2022	3.3. At least X staff from the national-level laboratory trained and professionally certified
	Q1 2024	4.1. X SWM collection vehicles, X containers and X units of disposal site machinery procured and commissioned
	Q3 2025	4.2. A SWM vehicles and equipment O&M center established in each of the 13 regions
	Q3 2025	4.3. Interim dumpsite remediation works completed at 10 dumpsites

Source: ADB staff estimates.

3. **Resources under the technical assistance facility.** The updated consultants' input allocation from the TA facility is presented in Table A3.2. It is confirmed that (i) the TA facility has adequate resources and (ii) the existing terms of reference for consultants are sufficient to

undertake the activities required to deliver the outputs for the ensuing Solid Waste Sector Development Project.

**Table A3.2: Updated Consultants' Input Allocation from the Technical Assistance Facility**  
(person-month)

Item	Total	Tashkent Province Sewerage Improvement Project (Low Risk)	Result Based / Sector Program Loan Approach (Low Risk)	Selected Project for Integrated Urban Development (Low Risk)	Solid Waste Management (Low Risk)
<b>International</b>					
Wastewater Engineer / Team Leader	4	4			
Institutional Specialist	3	3			
Financial Management Specialist	8	3	2	3	
Financial Management Specialist/Economist	3				3
Environment Specialist	13	4	3	3	3
Social Safeguard (Resettlement) Specialist	7	1	2	1	3
Climate Change Specialist	1	1			
Hydraulic Modeling Specialist	5	3	2		
PPP Specialist	1	1			
Water and Sanitation Engineer / Team Leader	4		4		
Monitoring and Evaluation Specialist	3		3		
Financial Management and Auditing Specialist	2		2		
Urban Development Specialist	2		2		
Urban Development Specialist / Team Leader	7			4	3
Water Supply and Sanitation Engineer	3			3	
ICT Specialist	2			2	
Public-Private Partnership (PPP) Specialist	5			2	3
Public-Private Partnership (PPP) Legal Specialist	4			2	2
Solid Waste Management Specialist	3				3
<b>Subtotal</b>	<b>80</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>
<b>National</b>					
Procurement Specialist	24	8	6	4	6
Civil Engineers	22	18		4	
Hydraulic Engineer	18	8	6	4	

Financial-Economy Specialist	16	6	6	4	
Financial Specialist	3				3
Economist	3				3
Social Development and Gender Specialist	20	4	6	4	6
Resettlement Specialist	22	6	6	4	6
Civil Engineer / Deputy Team Leader	12		8	4	
Environmental Engineer	12		6		6
Cost Estimator	16		6	4	6
Urban Development Specialist / Deputy Team Leader	6			6	
ICT Specialist	4			4	
Public-Private Partnership (PPP) Specialist	8			4	4
Public-Private Partnership (PPP) Legal Specialist	8			4	4
Civil Engineer / Deputy Team Leader	6				6
<b>Subtotal</b>	<b>200</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>Total</b>	<b>280</b>	<b>70</b>	<b>70</b>	<b>70</b>	<b>70</b>

Source: TA-9715 Preparing Urban Development and Improvement Projects.

**Table A3.3: Updated Budget Allocation from the Technical Assistance Facility  
(\$'000)**

<b>Item</b>	<b>Total</b>	<b>Tashkent Province Sewerage Improvement Project (Low Risk)</b>	<b>Result Based / Sector Program Loan Approach (Low Risk)</b>	<b>Selected Project for Integrated Urban Development (Low Risk)</b>	<b>Solid Waste Management (Low Risk)</b>
Updated risk category					
Training, seminars and conferences	44.5	19.0	15.0	8.0	2.5
Equipment <sup>1</sup>	38.0	20.0	7.0	7.0	4.0
Studies and Surveys	133.1	29.1	25.0	35.0	44.0
	215.6				

<sup>1</sup> Equipment to include computers, hand-held notepads and peripherals to be utilized during office operations, surveys and in-field activities, to be procured by the Consultant in accordance with ADB procedures, and turned over to the Executing Agency upon completion of the TRTA assignment.

Source: TA-9715 Preparing Urban Development and Improvement Projects.

## INITIAL POVERTY AND SOCIAL ANALYSIS

Country:	UZB	Program Title:	Sustainable Solid Waste Management Project
Lending/Financing Modality:	Project	Department/Division:	CWRD/CWUW

### I. POVERTY IMPACT AND SOCIAL DIMENSIONS

#### A. Links to the National Poverty Reduction Strategy and Country Partnership Strategy

Amongst the major environmental challenges that Uzbekistan faces are the pollution of soil, air, and water resources, reduced flora and fauna, and the lack of adequate management of industrial and municipal waste. ADB provides continued assistance to develop Uzbekistan's municipal infrastructure and services, including necessary regulatory and institutional reform, to ensure long-term sustainability<sup>21</sup>. The country's strong growth and rising population has increased demand for utilities in cities and urban areas. There are large requirements to replace aging infrastructure and improve the quality, coverage, and climate resilience of municipal services including wastewater and solid waste management (SWM). Responding to these critical needs, the project will be aligned with the environment, health and living conditions impact and have the following outcome: reliable, sustainable and affordable SWM services improved and expanded in small urban centers, peri-urban and rural areas nationwide.

The project is aligned with the CPS and supports the governments Welfare Improvement Strategy and Sustainable Development Goals (G12). The project will assist government to improve and expand SWM services by providing vehicles and equipment to initialize the rehabilitation of selected dumpsites, formulating a sector-wide SWM regulatory directive, operationalizing and strengthening the *Toza Hudud*<sup>22</sup>, and establishing an environmental laboratory to strengthen overall environmental monitoring. This will result in the reduction of widespread environmental damage caused by inadequate SWM systems in the targeted regions coupled with improved health, hygiene and sanitation standards.

#### B. Targeting Classification

General Intervention  Individual or Household (TI-H)  Geographic (TI-G)  Non-Income MDGs (TI-M1, M2)

#### C. Poverty and Social Analysis

##### 1. Key issues and potential beneficiaries.

A unified methodology for estimating a national poverty line has not yet been adopted in Uzbekistan. According to the WB assessments the low-income population of Uzbekistan represented 27.5 % of the total population in 2001, including 30.5% in rural areas and 22.5 % in urban ones. By 2010 the indicator dropped to 17.7% on average (20.1% in rural areas and 13.4% in urban areas); in 2013 the poverty rate was observed at 14.1%. The population below poverty line was 12.8%<sup>23</sup> in 2017. In government terms, the poor are classified as a vulnerable and low-income group, based on the 1.5 minimal wage and 2,100 Kcal per day as a poverty threshold.<sup>24</sup>

The project will contribute directly and indirectly to poverty reduction. The improvement of the municipal solid waste (MSW) system will significantly reduce the expenditures and time resources spent by households (HH) and businesses to cope with MSW shortages. Implementation of sanitation awareness and hygiene promotion activities will also assist to reduce the incidence of infectious diseases. Improving the institutional and management capacity of the *Toza Hudud* and its district branches will enhance the provision of reliable MSW services, support fair and transparent billing, and reduce HH costs and time for waste collection and recycling.

Uzbekistan currently generates over 12,000 tons per day (over 4 million tons per year) of municipal solid waste (MSW): a rate that is destined to accelerate to over 18,000 tons per day (7 million tons per year) by 2035, generating over 100 million tons by 2035. The existing system is however totally unprepared to meet this demand. Waste

<sup>21</sup> The ADB is assisting government to rehabilitate and expand the Tashkent City SWM system by (i) upgrading MSW recycling, collection, transfer and disposal facilities, (ii) strengthening service delivery capacity, and (iii) formulating a national SWM strategy. ADB. 2013. *Report and Recommendation of the President to the Board of Directors for the Proposed Loan to the Government of Uzbekistan: Solid Waste Management Improvement Project*. Manila.

<sup>22</sup> State unitary enterprises (SUEs), known as *Toza Hudud* solely responsible for SWM service provision in small urban centers, peri-urban and rural areas

<sup>23</sup> ADB. 2017. *Basic Statistics*. <https://www.adb.org/publications/basic-statistics-2017>. Manila.

<sup>24</sup> This threshold is defined in the regulation *On the Procedure of Appointment and Payment of Social Allowances and Material Aid to Low-Income Families*. 2012. Used by Makhallas for the award of poverty allowances.

recycling is poorly developed, recyclable materials are being thrown, and a potential recycling industry denied. Municipal waste collection services are available to less than 30% of the nation's 32.4 million population, primarily being confined to basic truck collection utilizing dilapidated and inefficient vehicles, with direct dumping into rudimentary dumpsites. The majority (70%) of the population, which primarily resides in small urban centers, peri-urban and rural areas, is not therefore served at all, left to utilize informal localized collection services or to self-dump MSW within communities. MSW is also burned, releasing greenhouse gases and hazardous compounds into the atmosphere that cause significant pollution.

Uzbekistan's dumpsites and scattered waste piles impacts adjacent communities, especially in terms of excessive odors, noise, dust, vermin and blowing litter. They can elevate health concerns relating to exposed waste, and leachate and landfill gas emissions. As these facilities are unsanitary, visually ugly, and degrade and pollute adjacent lands and water resources, they can reduce adjacent land values and restrict their future use. Communities along dumpsite access corridors also suffer from traffic, noise, dust, litter and accidents. Thus, immediate actions are needed to both improve and expand Uzbekistan's MSW collection services, and to remediate existing disposal facilities to reduce environmental and public health impacts.

2. Impact channels and expected systemic changes. Improvement of MSW collection services will accrue financial benefit to all HHs in the project area which are currently pay for inadequate MSW services based on a fixed tariff. Community-based hygiene and sanitation training programs will reduce intestinal infections incidence, lowering HH expenditure on medical treatments. Modest direct short-term impacts on employment levels in the project area may be expected during the project's implementation phase.

3. Focus of (and resources allocated in) the TRTA or due diligence. Sector related poverty and social issues in the selected geographical areas to be carefully reviewed during project design by conducting a Poverty and Social Analysis (PSA)

4. By updating the legislation of environment protection, amending Law of Waste, and establishing the PPP legal framework and standards, it is expected that private sector investment in the solid waste will increase, which generates jobs for skilled and unskilled labor, and the service could expand to small urban centers, peri-urban and rural areas. This will prevent the potential environmental degradation caused by increasing untreated waste in the remote areas of the country, satisfying the needs and aspirations of the increasing population requires a balance between fulfilling the material needs and sustaining the fragile ecological environment.

## II. GENDER AND DEVELOPMENT

1. What are the key gender issues in the sector/subsector that are likely to be relevant to this project or program?

Households, and particularly women play important roles in SWM sector, as they are mostly responsible to prepare and purchase food and other items for household consumption as well as to manage the household waste. Men, women and children transport waste to collection points and to curbside pick-up, depending on the weight of the containers. Men have primary responsibility to give money to women in the household to pay the tariff collectors. At the institutional level women are underrepresented (average 25%) both in lower-level positions and at managerial or decision-making levels. Senior and mid-level management staff, most economists, engineers, and operators in the sector are males. Women mostly work at junior (and consequently low-paying) technical positions.

Gender issues were included in the design of ongoing SWM project (SGE) and currently gender related activities are being implemented in the capital. In 2018 under the ongoing SWM project an annual medical checkup was conducted for 154 employees (15% of them women). All auto enterprises are provided with: 452 first-aid kits; 840 sets of uniform to drivers of motor vehicles; and 250 uniforms to the landfill workers. Social survey of satisfaction with the working conditions was conducted among female employees. The proposed project will replicate these gender activities and be built on the previous results. It is envisaged that Gender action plan (GAP) will be developed to meet EGM requirements based on the PSA findings and recommendations.

The GAP will be focused on women's important roles in waste minimization and management to improve female consumer awareness of environmental and SWM issues through public awareness campaigns, in-depth training and school-based educational programs. Women will be empowered to establish and maintain acceptable household waste handling practices through increased awareness and the development of HH waste management guidelines/handbooks. A monitoring tool will be implemented to assess improvements in waste handling. The project will enhance collection point operations for women operators by ensuring that overall conditions are improved.

2. Does the proposed project or program have the potential to contribute to the promotion of gender equity and/or empowerment of women by providing women's access to and use of opportunities, services, resources, assets, and participation in decision making

Yes  No Please explain. Gender action plan (GAP) will be prepared during PPTA or due diligence.

3. Could the proposed project have an adverse impact on women and/or girls or widen gender inequality

Yes  No

4. Indicate the intended gender mainstreaming category:

GEN (gender equity theme)  EGM (effective gender mainstreaming)  
 SGE (some gender elements)  NGE (no gender elements)

### III. PARTICIPATION AND EMPOWERMENT

1. Who are the main stakeholders of the project, including beneficiaries and negatively affected people? Identify how they will participate in the project design. A public awareness and media campaign will be implemented to inform citizens of the SWM system upgrades as well as focusing on increasing recycling and citizen awareness of Reduce, Reuse, Recycle practices. Mahalla Women's Committee members will be trained to provide practical recycling advice in partnership with the national and city women's committee. Consultations will be held with local CBO/CSO in the development of the Participation and Gender Actions Plans. To be elaborated during TRTA.

2. How can the project contribute (in a systemic way) to engaging and empowering stakeholders and beneficiaries, particularly, the poor, vulnerable and excluded groups? What issues in the project design require participation of the poor and excluded?

3. What are the key, active, and relevant civil society organizations in the project area? What is the level of civil society organization participation in the project design?

Information generation and sharing  Consultation  Collaboration  Partnership

Indicate in each box the level of participation by marking high (H), medium (M), low (L), or not applicable (N) based on definitions in the ADB's Guide to Participation.

4. Are there issues during project design for which participation of the poor and excluded is important? What are they and how shall they be addressed?  Yes  No Please explain.

Describe key features, responsibilities and resources to strengthen the participation of CSOs

### IV. SOCIAL SAFEGUARDS

**A. Involuntary Resettlement Category**  A  B  C  FI

1. Does the project have the potential to involve involuntary land acquisition resulting in physical and economic displacement?  Yes  No

Social safeguard due diligence needs to be conducted mainly for activities under output 4. Either land acquisition and resettlement plan or social due diligence report needs to be prepared.

2. What action plan is required to address involuntary resettlement as part of the TRTA or due diligence process?

Resettlement plan  Resettlement framework  Social impact matrix  
 Environmental and social management system arrangement  None

**B. Indigenous Peoples Category**  A  B  C  FI

1. Does the proposed project have the potential to directly or indirectly affect the dignity, human rights, livelihood systems, or culture of indigenous peoples?  Yes  No

2. Does it affect the territories or natural and cultural resources indigenous peoples own, use, occupy, or claim, as their ancestral domain?  Yes  No The country in general does not have indigenous people's communities as defined in the SPS for operational purposes.

3. Will the project require broad community support of affected indigenous communities?  Yes  No

4. What action plan is required to address risks to indigenous peoples as part of the PPTA or due diligence process?

Indigenous peoples plan  Indigenous peoples planning framework  Social Impact matrix  
 Environmental and social management system arrangement  None

### V. OTHER SOCIAL ISSUES AND RISKS

1. What other social issues and risks should be considered in the project design?

Creating decent jobs and employment  Adhering to core labor standards  Labor retrenchment  
 Spread of communicable diseases, including HIV/AIDS  Increase in human trafficking  Affordability  
 Increase in unplanned migration  Increase in vulnerability to natural disasters  Creating political instability  
 Creating internal social conflicts  Others, please specify \_\_\_\_\_ Indicate high (H), medium (M), low (L) for selected boxes

2. How are these additional social issues and risks going to be addressed in the project design?

**VI. PPTA OR DUE DILIGENCE RESOURCE REQUIREMENT**

1. Do the terms of reference for the TRTA (or other due diligence) contain key information needed to be gathered during PPTA or due diligence process to better analyze (i) poverty and social impact; (ii) gender impact, (iii) participation dimensions; (iv) social safeguards; and (vi) other social risks. Are the relevant specialists identified?

Yes       No    If no, please explain why.

3. What resources (e.g., consultants, survey budget, and workshop) are allocated for conducting poverty, social and/or gender analysis, and participation plan during the TRTA or due diligence?