



# Technical Assistance Report

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**PUBLIC**

Project Number: 56115-001  
Knowledge and Support Technical Assistance (KSTA)  
December 2022

## Republic of Uzbekistan: Operation and Maintenance Sustainability of Water Supply and Sanitation Infrastructure

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Asian Development Bank

**CURRENCY EQUIVALENTS**  
(as of 7 December 2022)

|               |   |              |
|---------------|---|--------------|
| Currency unit | – | sum (SUM)    |
| SUM1.00       | = | \$0.00009    |
| \$1.00        | = | SUM11,280.02 |

**ABBREVIATIONS**

|          |   |                                  |
|----------|---|----------------------------------|
| ADB      | – | Asian Development Bank           |
| AMS      | – | asset management system          |
| COVID-19 | – | coronavirus disease              |
| NRW      | – | nonrevenue water                 |
| O&M      | – | operation and maintenance        |
| TA       | – | technical assistance             |
| UJSC     | – | Uzsuvtaminot Joint Stock Company |
| WSS      | – | water supply and sanitation      |

**NOTE**

In this report, “\$” refers to United States dollars.

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<sup>a</sup> Outposted to the Uzbekistan Resident Mission.

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## KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE

|  |   |  |
|--|---|--|
| <b>1. Basic Data</b>   |   | <b>Project Number:</b> 56115-001                         |
| <b>Project Name</b>  | Operation and Maintenance<br>Sustainability of Water Supply and Sanitation Infrastructure | <b>Department/Division</b> CWRD/CWUW                     |
| <b>Nature of Activity</b>  | Capacity Development, Policy Advice, Research and Development                             | <b>Executing Agency</b> Uzsuvtaminot Joint Stock Company |
| <b>Modality</b>  | Regular   |  |
| <b>Country</b>   | Uzbekistan  |  |
| <b>2. Sector</b>   |   | <b>ADB Financing (\$ million)</b>                        |
| ✓ Water and other urban infrastructure and services  | Other urban services  | 0.100  |
|  | Urban policy, institutional and capacity development                                      | 0.900  |
|  | <b>Total</b>  | <b>1.000</b>   |
| <b>3. Operational Priorities</b>   |   | <b>Climate Change Information</b>                        |
| ✓ OP2: Accelerating progress in gender equality  |   | GHG Reductions (tons per annum) 0                        |
| ✓ OP3: Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability |   | Climate Change impact on the Project Low                 |
| ✓ OP4: Making cities more livable  |   | <b>ADB Financing</b>                                     |
| ✓ OP6: Strengthening governance and institutional capacity   |   | Adaptation (\$ million) 0.320                            |
|  |   | Mitigation (\$ million) 0.320                            |
|  |   | <b>Cofinancing</b>                                       |
|  |   | Adaptation (\$ million) 0.000                            |
|  |   | Mitigation (\$ million) 0.000                            |
| <b>Sustainable Development Goals</b>   |   | <b>Gender Equity and Mainstreaming</b>                   |
| SDG 1.b  |   | Some gender elements (SGE) ✓                             |
| SDG 5.a  |   |  |
| SDG 10.2   |   | <b>Poverty Targeting</b>                                 |
| SDG 11.1, 11.3, 11.a   |   | General Intervention on Poverty ✓                        |
| SDG 12.2   |   |  |
| SDG 13.a   |   |  |
| <b>4. Risk Categorization</b> Low  |   |  |
| <b>5. Safeguard Categorization</b> Safeguard Policy Statement does not apply   |   |  |
| <b>6. Financing</b>  |   |  |
| <b>Modality and Sources</b>  |   | <b>Amount (\$ million)</b>                               |
| <b>ADB</b>   |   | <b>1.000</b>   |
| Knowledge and Support technical assistance: Technical Assistance Special Fund  |   | 1.000  |
| <b>Cofinancing</b>   |   | <b>0.000</b>   |
| None   |   | 0.000  |
| <b>Counterpart</b>   |   | <b>0.000</b>   |
| None   |   | 0.000  |
| <b>Total</b>   |   | <b>1.000</b>   |
| <b>Currency of ADB Financing:</b> US Dollar  |   |  |

## I. INTRODUCTION

1. The knowledge and support technical assistance (TA) will improve the financial sustainability of the Uzsvtaminot Joint Stock Company (UJSC), the national agency managing and developing Uzbekistan’s municipal water supply and sanitation (WSS) sector and the capacity of the executing agency for WSS projects funded by the Asian Development Bank (ADB). The TA will support UJSC in (i) preparing climate-resilient and carbon-neutral midterm and long-term investment plans, (ii) strengthening debt management capacity, and (iii) improving its governance and institutional capacity. It will support the government’s public financial management and medium-term debt management strategy,<sup>1</sup> while improving WSS service delivery across the country.<sup>2</sup>

2. The TA aligns with Uzbekistan’s Vision 2030 for long-term and sustainable improvements to the people’s well-being,<sup>3</sup> the nation’s wider development priorities, and with ADB’s country partnership strategy, 2019–2023 for Uzbekistan.<sup>4</sup> It supports ADB’s Strategy 2030 in four key priority areas<sup>5</sup> and will contribute to Sustainable Development Goals 1, 5, and 10–13.<sup>6</sup> The TA is also guided by ADB’s COVID-19 and Livable Cities in Asia and the Pacific: Guidance Note.<sup>7</sup>

## II. ISSUES

3. **Water supply and sanitation challenges.** Uzbekistan has limited financial resources to operate and maintain infrastructure assets, which is particularly pertinent to the WSS sector. WSS services are largely inadequate because of aging infrastructure, low tariffs, accelerated demand from population expansion, and increasing water resource scarcity from climate change impacts.<sup>8</sup> Weak operation and maintenance (O&M) practices have resulted in high water losses, foregone revenues, and low service provision, while increasing potential health threats.<sup>9</sup> Although water supply coverage in the cities is generally high (70%–96%), supply is often unreliable, with water availability and service quality decreasing in outlying peri-urban and rural areas. Nonrevenue water (NRW) is expected to be significantly higher than reported because of limited metering and intermittent supply.<sup>10</sup> Sewerage coverage in cities and towns is only 13%–37%. Improving energy efficiency; and water supply, sanitation, hygiene, and health measures are imperative to protect against the coronavirus disease (COVID-19) and future pandemics.

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<sup>1</sup> Cabinet of Ministers Resolution No. 166 dated 29 March 2021 on approval of the strategy for managing and reforming state-owned enterprises for 2021–2025.

<sup>2</sup> The TA first appeared in the business opportunities section of ADB’s website on 27 October 2022.

<sup>3</sup> Government Resolution No. 841 dated October 2018 on measures to implement the national Sustainable Development Goals and targets until 2030. This includes the government’s vision to become an industrialized, upper middle-income country by 2030.

<sup>4</sup> ADB. 2019. [Country Partnership Strategy: Uzbekistan, 2019–2023—Supporting Economic Transformation](#). Manila.

<sup>5</sup> The TA supports operational priority 2 on accelerating progress in gender equality; operational priority 3 on tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability; operational priority 4 on making cities more livable; and operational priority 6 on strengthening governance and institutional capacity. ADB. 2018. [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific](#). Manila.

<sup>6</sup> United Nations. 2022. [Global Indicator Framework for the Sustainable Development Goals and Targets of the 2030 Agenda for Sustainable Development](#) (2022 refinement).

<sup>7</sup> ADB. 2020. [COVID-19 and Livable Cities in Asia and the Pacific: Guidance Note](#). Manila.

<sup>8</sup> ADB and World Bank. 2021. [Climate Risk Country Profile: Uzbekistan](#). Manila and Washington, DC.

<sup>9</sup> While large cities enjoy almost continuous water supply, water continuity averages only 14 hours per day in medium-sized cities and only 8 hours per day in smaller settlements. About 61% of customers in *suvtaminots* (water utilities) are metered. However, within the nation’s water supply systems themselves, only 15% of water intakes have bulk meters and virtually no intermediate meters are installed in these systems.

<sup>10</sup> Field studies undertaken during the first quarter of 2021 indicated that NRW can exceed 80%, much higher than the reported 12%–43%.

4. **Water utility deficiencies.** Inadequate revenues have resulted in low staff wages, reducing the ability of provincial *suvtaminots* (water utilities) to retain and recruit skilled staff; and to apply resource-saving, energy-efficient, and environment-friendly technologies, perpetuating a cycle of weak O&M. It further inhibits *suvtaminots* from engaging in long-term planning based on steady and predictable revenues, engaging instead in short-term, ad hoc planning cycles that are often dependent on transfers from the central government, which has an understandable focus on service expansion. Given other challenges, this issue risks cementing inefficiencies and overbuilding infrastructure based on dated technical norms and consumption assumptions.

5. **Utility financial performance.** A financial management assessment conducted in 2021 revealed weaknesses in UJSC's operational and financial performance. UJSC and its *suvtaminots* are either incurring financial losses or barely generating sufficient revenues to meet operating expenses.<sup>11</sup> Tariffs are largely insufficient to cover operating expenses (excluding depreciation).<sup>12</sup> The *suvtaminots* provide services below full cost recovery, motivated mainly by the government's desire to provide a social benefit and protect vulnerable populations. Those unable to cover their costs become dependent on government subsidies and direct financial support in the form of operational and/or capital transfers. They are at times unable to cover their energy expenses, which can consist of up to a third of the expenses for wastewater treatment facilities. This creates arrears on payables and a possibility of default or high-cost borrowing, leading to expensive short-term debt. Reforms pilot-tested in the energy sector have shown significant promise in reducing government subsidies and improving sector performance. The government has been launching similar reforms in WSS and other sectors since 2020.<sup>13</sup>

6. **Government response.** Since 1997, the government has invested significant resources in WSS development. It has partnered with 12 international development agencies, which are funding or proposing to fund 63 investment projects in Uzbekistan's WSS sector, for a cumulative investment value of \$3.9 billion as of 2022. ADB and other international financial institutions closely engage with the government to build capacity and introduce good governance practices to (i) ensure effective and efficient use of available public funds and mobilize additional domestic revenues, (ii) improve project sustainability, (iii) introduce mitigation measures and energy-saving technologies to reduce greenhouse gas emissions, and (iv) ensure that the financial sustainability of the sector is addressed systemically.

7. The government has defined strategic directions to improve the public financial management system for 2021–2025. In 2021, the government adopted a medium-term debt management strategy with an annual ceiling of 60% public debt to gross domestic product ratio (footnote 1). It targets improving state-owned enterprise expenditure transparency and the prudent use of funds from external borrowings.

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<sup>11</sup> A financial analysis conducted in March–June 2021 based on audited reports for *suvtaminots* (2019–2020) showed that 10 of 17 *suvtaminots* incurred annual losses ranging from \$0.49 million to \$9.18 million, and the rest reported income margins from only \$0.07 million to \$0.30 million. In 2020, the government allocated about \$9.80 million for *suvtaminots* to develop the WSS system and \$1.80 million to cover O&M expenses.

<sup>12</sup> Tariff-setting methodologies have been revised through Presidential Decree No. 6074, approved in 2020, which mandates regional bodies to review and approve tariff adjustments. In addition, the concept of full cost recovery has been adopted through a government decree. Further tariff reforms are supported through the proposed Economic Management Improvement Program Phase 2 to ensure that tariffs incorporate system modernization and expansion costs, reflect depreciation costs, and account for foreign exchange differentials on international loans.

<sup>13</sup> ADB. 2020. [Report and Recommendation of the President to the Board of Directors: Proposed Programmatic Approach and Policy-Based Loan for Subprogram 1 to the Republic of Uzbekistan for the Power Sector Reform Program](#). Manila.

8. **Uzsuvtaminot as the national water supply and sanitation utility.** The government established UJSC in November 2019 as the country's national water utility, with responsibilities for all provincial *suvtaminots*.<sup>14</sup> Designated as the executing agency for WSS project development and implementation, it is mandated to implement the state policy of expanding WSS accessibility across Uzbekistan. Through the government's corporate charter, UJSC is a commercial enterprise into which nationwide WSS assets have been transferred. All provincial *suvtaminots* are UJSC's provincial branches, which by themselves have been reorganized and registered as limited liability companies and governed by a corporate charter.

9. **Uzsuvtaminot's institutional capacity.** UJSC's assets O&M is suboptimal, undertaken in an ad hoc manner. UJSC and *suvtaminots* lack proper asset management systems (AMSs) to assess asset conditions and develop regular maintenance and repair programs that are prioritized, budgeted, and timebound. UJSC has an aging and low-skilled workforce whose salary is less competitive than other public service sectors (gas, electricity), further weakening the capacity to identify deteriorating or defunct assets and prioritize their replacement, rehabilitation, or optimization. UJSC's operational losses have a direct impact on public service delivery (para. 5 and footnote 11). Strengthening UJSC's institutional capacity and financial health is crucial for the government's fiscal and debt management.

10. Limited O&M funds can be effectively allocated and used if there is a robust AMS, which is needed for programming maintenance and asset rehabilitation to maintain utility performance and improve efficiency. The AMS will provide utility managers and decision-makers with critical information on assets and conditions. UJSC has no database of asset information, and it has been difficult to establish asset conditions and the financial asset valuation in its balance sheet.

11. UJSC systems need upgrading and are not yet integrated with provincial *suvtaminots*. A modern AMS<sup>15</sup> based on advanced information technology will ease informed decision-making at UJSC and help minimize NRW, identify priority areas for capital allocation, and contribute to minimizing expenditures and maximizing service delivery impact and quality. In addition, lack of tools to assess and monitor the performance of investment projects impairs UJSC's ability to adjust operation planning, a management information system integrated with an AMS will be developed in UJSC.

### III. THE TECHNICAL ASSISTANCE

#### A. Impact and Outcome

12. The TA is aligned with the following impact: public funds effectively and efficiently managed and UJSC's investments sustainable.<sup>16</sup> The TA will have the following outcome: efficient allocation of scarce O&M resources in the WSS sector improved and infrastructure sustainability increased.<sup>17</sup>

<sup>14</sup> Cabinet of Ministers Resolution No. 169 dated 30 March 2021 on the organization of the Agency for International Cooperation and Development under the Ministry of Investments and Foreign Trade of the Republic of Uzbekistan.

<sup>15</sup> It will include billing, supervisory control and data acquisition, works orders, customer complaints, and a digital twin.

<sup>16</sup> Footnote 1; and Presidential Decree No. 6074 dated 25 September 2020 on measures aimed at further development of the drinking water supply and sewerage system, as well as relevant investment projects for enhancing efficiency.

<sup>17</sup> The design and monitoring framework is in Appendix 1.

## B. Outputs, Methods, and Activities

13. **Output 1: Institutional capacity in investment and financial planning of Uzsuvtaminot and suvtaminots increased.** The TA will support UJSC in (i) preparing climate-resilient and carbon-neutral midterm and long-term investment plans; (ii) strengthening debt management capacity; (iii) upgrading and rolling out integrated accounting solutions; (iv) building financial and accounting skills needed to transition to International Financial Reporting Standards; and (v) undertaking a remuneration benchmarking exercise to establish the pay gap between the internal sex-disaggregated pay and the market and/or equivalent institutions.

14. **Output 2: Operation and maintenance management capacity strengthened.** The TA will (i) develop options for climate-adaptive and sustainable O&M funding for UJSC and its *suvtaminots*; (ii) establish a smart AMS with appropriate technological solutions for improved operational efficiency and with seamless integration with customer databases, billing, collection, accounting, and reporting functions in selected *suvtaminots*; and (iii) operationalize an NRW management system in selected *suvtaminots* that are equipped with supervisory control and data acquisition technologies; and flow meters and smart meters for household service connections, active leak detection, and the calibration of meters.

15. To build knowledge and ensure sustainability in WSS investments, the TA will focus on (i) strengthening UJSC's and *suvtaminots*' institutional capacity; and (ii) adopting an integrated approach to collaborating with ADB-funded projects, introducing practical technical solutions to improve UJSC's asset management, O&M, and financial management capacity. These activities will add high value to the quality of ADB-financed projects and improve UJSC's and *suvtaminots*' capacity. Knowledge built under the TA will be widely disseminated among peers.

## C. Cost and Financing

16. The TA financing amount is \$1,000,000, which will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF 7), under the debt management set-aside. The key expenditure items are listed in Appendix 2. The government will provide counterpart support in the form of office accommodation and support facilities, counterpart staff, technical data, other related information required for the TA, and other in-kind contributions.

## D. Implementation Arrangements

17. ADB will administer the TA. UJSC will be the TA's executing agency, and the Urban Development and Water Division of ADB's Central and West Asia Department will be the implementing agency and the focal point and coordinator of consulting inputs and activities. The TA will be implemented over 48 months (January 2023–December 2026). Implementation arrangements are summarized in Table 1.

**Table 1: Implementation Arrangements**

| Aspects                          | Arrangements  |  |           |
|----------------------------------|---|--|-----------|
| Indicative implementation period | January 2023–December 2026  |  |           |
| Executing agency                 | Uzsuvtaminot Joint Stock Company  |  |           |
| Implementing agency              | Urban Development and Water Division, Central and West Asia Department, ADB |  |           |
| Consultants                      | To be selected and engaged by ADB   |  |           |
|                                  | Firm: QCBS  | international (25.5 person-months); national (6.0 person-months) | \$820,000 |

| Aspects      | Arrangements   |  |           |
|--------------|--|--|-----------|
|              | Individual: ICS  | international consultants (3.5 person-months);<br>national consultants (3.0 person-months) | \$120,000 |
| Disbursement | Disbursement of technical assistance resources will follow ADB's <i>Technical Assistance Disbursement Handbook</i> (2020, as amended from time to time). |  |           |

ADB = Asian Development Bank, ICS = individual consultant selection, QCBS = quality- and cost- based selection.  
Source: ADB.

18. **Consulting services.** The TA will engage (i) an international consulting firm using the quality- and cost-based selection method with a quality-cost ratio of 90:10 for package 1; and (ii) international and national individual consultants (time-based contracts) for package 2. ADB will engage consultants following the ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions.<sup>18</sup>

## E. Governance

19. The TA aims to strengthen UJSC's financial governance and management capacity to improve its financial sustainability. It will be delivered through (i) integrated accounting solutions, (ii) improved investment planning, budgeting, and debt management, (iii) upskilled financial management personnel, and (iv) rationalized remuneration benchmarking. The TA-supported AMS, management information system, and other information technology solutions for financial reporting and management will facilitate informed UJSC management decisions on operations and investments. In turn, it will help address Uzbekistan's public debt vulnerabilities, strengthen debt management capacity and institutions, and improve debt transparency in the medium to long term.<sup>19</sup>

## IV. THE PRESIDENT'S DECISION

20. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$1,000,000 on a grant basis to the Government of Uzbekistan for Operation and Maintenance Sustainability of Water Supply and Sanitation Infrastructure, and hereby reports this action to the Board.

<sup>18</sup> Terms of Reference for Consultants (accessible from the list of linked documents in Appendix 3).

<sup>19</sup> Aligned with the key objective of the debt management set-aside.

## DESIGN AND MONITORING FRAMEWORK

| <b>Impact the TA is Aligned with</b><br>Public funds effectively and efficiently managed and UJSC's investments sustainable (Presidential Decree No. 6074 and Cabinet of Ministers Resolution No. 166) <sup>a</sup>   |   |  |   |
|---|---|--|---|
| <b>Results Chain</b>  | <b>Performance Indicators</b>   | <b>Data Sources and Reporting Mechanisms</b>   | <b>Risks and Critical Assumptions</b>   |
| <b>Outcome</b><br>Efficient allocation of scarce O&M resources in the WSS sector improved and infrastructure sustainability increased   | By 2027:<br>a. Effective O&M planning of WSS assets and investments adopted by UJSC (2022 baseline: not applicable) (OP 4.2.2, OP 6.1, OP 6.1.3)<br><br>b. Five-year investment plan adopted by UJSC aligned with the government's WSS sector strategy (2022 baseline: not applicable, medium-term investment plan not yet adopted) (OP 4.2.2)  | a–b. UJSC business plan and other government documents   | A: Full government commitment to WSS sector reforms, including full cost recovery to a market-based economy |
| <b>Outputs</b><br>1. Institutional capacity in investment and financial planning of UJSC and <i>suvtaminots</i> increased   | By 2026:<br>1a. Climate-resilient and carbon-neutral investment planning practices established, and IFRS-based reports for UJSC and all <i>suvtaminots</i> (water utilities) publicly disclosed (2022 baseline: not applicable) (OP 3.2, OP 6.1, OP 6.1.4)<br><br>1b. Financial systems for billing, collection, and accounting integrated (2022 baseline: not applicable, systems not integrated) (OP 6.1)<br><br>1c. Accounting qualifications for financial management staff, of whom at least 30% are women, obtained with remuneration benchmarking undertaken (2022 baseline: 0) (OP 2.3.1, OP 6.1.1) | 1a–c. UJSC annual reports and business plan, IFRS-based financial reports  | R: Frequent staff turnover  |
| 2. O&M management capacity strengthened   | 2a. Smart AMS linking the customer database with the billing, accounting, and financial management systems operational (2022 baseline: not applicable, systems not linked) (OP 6.1.4)<br><br>2b. O&M manual for each <i>suvtaminot</i> developed and operational (2022 baseline: 0) (OP 6.1)<br><br>2c. At least 65% of staff trained in O&M, of whom 30% are women, in each <i>suvtaminot</i> reported increased knowledge in O&M (2022 baseline: 0) (OP 6.1.1)  | 2a–b. Consultants' semiannual reports and government documentation<br><br><br>2c. Training program evaluation survey results | R: Delayed procurement because of limited capacity  |
| <b>Key Activities with Milestones</b><br><b>1. Institutional capacity in investment and financial planning of UJSC and <i>suvtaminots</i> increased</b><br>1.1 Establish baselines for NRW reduction and O&M management (Q3 2023)<br>1.2 Conduct asset inventory in Djizzak's <i>suvtaminot</i> to determine the fair value of assets and future development needs, including capital and O&M investments (Q4 2023) |   |  |   |

- 1.3 Begin stakeholder consultations to (i) determine NRW targets against baselines and minimum O&M expenditures, and (ii) identify gaps and weaknesses in financial management systems (Q1 2024)
- 1.4 Update accounting solutions and install software at UJSC and *suvtaminots* for consolidated financial reporting needed for IFRS adoption (Q2 2024)
- 1.5 Agree with government agencies on measures to maintain the financial sustainability of investments in the sector, including updating the legal and policy framework, tariff-setting methodologies, and O&M mandates and standards (Q4 2024)

## 2. O&M management capacity strengthened

- 2.1 Develop an appropriate system for data collection and stakeholder consultations (Q3 2023)
- 2.2 Review maintenance management practices in the sector and introduce international best practices adapted to local conditions (Q3 2023)
- 2.3 Conduct training sessions and seminars (Q3 2024)
- 2.4 Introduce AMS, MIS, and an NRW reduction approach in selected ADB-financed projects (Q3 2025)

### TA Management Activities

Recruit consultants (Q1 2023)  
 TA inception and review missions (every 6 months)  
 Reporting, monitoring, and evaluation

### Inputs

ADB: \$1,000,000 Technical Assistance Special Fund (TASF 7)  
 Note: The government will provide counterpart support in the form of office accommodation and support facilities, counterpart staff, technical data, other related information required for the study, and other in-kind contributions.

A = assumption, ADB = Asian Development Bank, AMS = asset management system, IFRS = International Financial Reporting Standards, MIS = management information system, NRW = nonrevenue water, O&M = operation and maintenance, OP = operational priority, Q = quarter, R = risk, TA = technical assistance, UJSC = Uzsuvtaminot Joint Stock Company, WSS = water supply and sanitation.

<sup>a</sup> Presidential Decree No. 6074 dated 25 September 2020 on measures aimed at further development of the drinking water supply and sewerage system, as well as relevant investment projects for enhancing efficiency; and Cabinet of Ministers Resolution No. 166 dated 29 March 2021 on approval of the strategy for managing and reforming state-owned enterprises for 2021–2025.

### Contribution to Strategy 2030 Operational Priorities:

The expected values and methodological details for all OP indicators to which this TA will contribute results are detailed in Contribution to Strategy 2030 Operational Priorities (accessible from the list of linked documents in Appendix 3).

Source: ADB.

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

| Item  | Amount         |
|---|----------------|
| <b>Asian Development Bank<sup>a</sup></b>                               |                |
| 1. Consultants  |                |
| a. Remuneration and per diem  |                |
| i. International consultants  | 665.0          |
| ii. National consultants  | 49.0           |
| b. Out-of-pocket expenditures   |                |
| i. International and local travel                                       | 54.0           |
| ii. Reports and communications  | 5.0            |
| 2. Surveys <sup>b</sup>   | 12.0           |
| 3. Training, seminars, workshops, forum, and conferences <sup>c</sup>   | 15.0           |
| 4. Goods <sup>d</sup>   | 115.0          |
| 5. Miscellaneous technical assistance administration costs <sup>e</sup> | 38.0           |
| 6. Contingencies  | 47.0           |
| <b>Total</b>  | <b>1,000.0</b> |

The technical assistance (TA) is estimated to cost \$1,040,000, of which contributions from the debt management set-aside of the Technical Assistance Special Fund (TASF 7) are presented in the table. The government will provide counterpart support in the form of office accommodation and support facilities, counterpart staff, technical data, and other in-kind contributions. The value of the government contribution is estimated to account for 4% of the total TA cost.

<sup>a</sup> Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF 7).

<sup>b</sup> Includes asset data collection and asset status verification.

<sup>c</sup> Includes resource persons, facilitators, event organizers, and facility and rental costs.

<sup>d</sup> Includes servers and modems for internet access, software for asset management and the management information system to be integrated with existing enterprise resource planning software as required, hardware maintenance during the TA period, and software licenses. All TA-financed goods and equipment will be turned over to Uzsvtaminot Joint Stock Company and Djizzak's *suvtaminot* upon TA completion.

<sup>e</sup> Includes office operation, land transportation, printing, translation, interpretation, and communications.

Source: Asian Development Bank estimates.

**LIST OF LINKED DOCUMENTS**

<http://www.adb.org/Documents/LinkedDocs/?id=56115-001-TARreport>

1. Terms of Reference for Consultants
2. Contribution to Strategy 2030 Operational Priorities