

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET

Uzbekistan: 2017 Committed Loans, Grants, and Technical Assistance (\$ million)

Loans		Technical Assistance	Grants	Total
Sovereign	Nonsovereign			
1,146.24	-	6.85	-	1,153.09

- = nil.

Notes:

Commitment is the financing approved by the ADB Board of Directors or Management for which the investment agreement has been signed by the borrower, recipient, or the investee company and ADB.

Grants and technical assistance include ADB-administered cofinancing.

Uzbekistan: Cumulative Lending, Grant, and Technical Assistance Commitments^{a, b, c}

Sector	No.	Total Amount (\$ million) ^d	% ^d
Agriculture, Natural Resources, and Rural Development	30	585.48	9.19
Education	22	297.31	4.67
Energy	25	1,546.03	24.27
Finance	30	1,383.94	21.73
Health	5	42.40	0.67
Industry and Trade	3	175.68	2.76
Public Sector Management	16	29.96	0.47
Transport	31	1,605.32	25.20
Water and Other Urban Infrastructure and Services	24	703.44	11.04
Total	186	6,369.56	100.00

^a Grants and technical assistance include ADB-administered cofinancing.

^b Includes sovereign and nonsovereign loans and technical assistance.

^c Using primary sector in reporting of commitments.

^d Numbers may not sum precisely because of rounding.

Uzbekistan: Ordinary Capital Resources Nonsovereign Commitments by Product, 2007–2017

No. of Transactions Signed	Amount (\$ million)
Loans	225.00
Equity Investments	5.89
Guarantees	217.95
Total	448.84

ADB support to Uzbekistan is aligned with the country's national development priorities, which guides its pursuit of industrial modernization and infrastructure development.

UZBEKISTAN

Emboldened by a new development strategy, Uzbekistan is striving for inclusive economic growth through private sector development, economic liberalization, regional cooperation, and global integration.

Since the country joined the Asian Development Bank (ADB) in 1995, ADB has approved more loans to Uzbekistan than to any other country in Central and West Asia. Uzbekistan has received 69 loans totaling \$6.8 billion, including two private sector loans totaling \$225 million, and \$81.93 million in technical assistance grants.

In February 2017, the Government of Uzbekistan adopted the Strategy of Actions on Further Development of Uzbekistan, a national development strategy for 2017–2021. The strategy outlines five priority areas for reform: (i) governance and public administration; (ii) rule of law and the judicial system; (iii) economic development and liberalization; (iv) social development; and (v) security, tolerance, and foreign policy.

In October 2017, ADB approved the country operations business plan (COBP), 2018–2020 for Uzbekistan. The COBP fully supports the country's national development strategy and reflects its updated development priorities. With a project pipeline of \$2.9 billion, the COBP has a focus on transport, communication, energy, water supply, municipal infrastructure and services, health, and access to finance.

Cumulative disbursements to Uzbekistan for lending and grants financed by ordinary capital resources (OCR), the Asian Development Fund, and other special funds amount to \$3.26 billion.

ADB-SUPPORTED PROJECTS AND PROGRAMS

In 2017, ADB provided Uzbekistan with four loans totaling \$1.075 billion to



continue efforts to modernize roads and railways, improve primary health care, broaden access to affordable housing, and shore up the reliability of energy supply.

ADB has approved six road projects under two Central Asia Regional Economic Cooperation (CAREC) investment programs, and 660 kilometers of rail line were upgraded under two modernization projects in key regional areas. In 2017, ADB approved the Pap-Namangan-Andijan railway electrification project, which will electrify 145.1 kilometers of track linking major cities in the Fergana Valley with the capital, Tashkent. This will help provide direct and efficient freight and passenger train services, and promote economic and social development in the Fergana Valley.

ADB support for the Woman and Child Health Development Project has helped reduce national maternal and infant mortality rates. In 2017, ADB approved the Primary Health Care Improvement Project to strengthen services in rural areas by providing modern equipment to 793 newly established family polyclinics.

Affordable housing has been an important area for ADB support to Uzbekistan since 2012. Through the Housing for Integrated Rural Development Investment Program,

ADB has helped provide cofinanced mortgage loans to individuals, contributing to the construction of 41,510 homes for families on low to moderate incomes and living in rural areas. In 2017, ADB approved the Affordable Rural Housing Program, which aims to continue rural housing construction, employment generation, and private sector development in rural areas of Uzbekistan.

ADB is helping to ensure Uzbekistan's energy security, efficiency, and reliability through ongoing projects, such as the Takhiatash Power Plant Efficiency Improvement Project, the Talimarjan Power Project, the North-West Region Power Transmission Project, and the Power Generation Efficiency Improvement Project. The ongoing Advance Electricity Metering Project aims to improve the energy sector's sustainability by covering two thirds of Uzbekistan with smart meters and associated infrastructure. As part of the drive to diversify away from fossil fuel power generation, the Sustainable Hydropower Project is planned for 2019.

ADB has been supporting Uzbekistan's regional cooperation activities under the CAREC Program. This has included building power lines to supply electricity to Afghanistan, and the construction of 75 kilometers of track to extend

the Afghan railroad to the Uzbekistan border.

NONSOVEREIGN OPERATIONS

As a catalyst for private investments, ADB provides direct financial assistance to nonsovereign public sector and private sector transactions in the form of direct loans, equity investments, guarantees, B loans, and trade finance. In 2017, \$3.17 billion of financing for 29 nonsovereign transactions funded by ADB's own resources were approved. Total commitments achieved in 2017 amounted to \$2.29 billion for 27 transactions. Both OCR approvals and commitments were at record highs in 2017. Around \$5.9 billion of cofinancing from commercial and official sources were mobilized. Total OCR outstanding balances and commitments of ADB's nonsovereign transactions as of 31 December 2017 amounted to \$10.9 billion.

ADB's Trade Finance Program (TFP) fills market gaps by providing guarantees and loans through partner banks in support of trade. Since 2009, ADB's TFP has supported more than 12,000 small and medium-sized businesses across developing Asia—through over 16,500 transactions valued at over \$30 billion—in sectors ranging from commodities and capital goods, to medical supplies and consumer goods. In 2017, the

Uzbekistan: Project Success Rates

Year	Success Rate (%)	No. of Independently Evaluated Projects and Programs
2006	100.0	1
2008	33.3	3
2009	100.0	1
2010	50.0	2
2011	50.0	4
2012	50.0	4
2013	100.0	2
2015	0.0	1
2016	100.0	3
2017	100.0	2
Total	65.2	23

Note: "Year" refers to the circulation year of the project completion report (PCR). Compared with the numbers in previous years' *Fact Sheet*, the success rate reported here are based on the ratings from validated PCRs and independently evaluated performance evaluation reports only and does not include self-evaluations. With small sample size, the success rate does not necessarily represent country operations performance.

Source: PCR validation reports and project/program performance evaluation reports ratings database as of 31 December 2017.

Uzbekistan: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2016–2017

	No. of Ongoing Loans ^a (as of 31 Dec 2017)			
	2016 (\$ million)	2017 (\$ million)		
Contract Awards ^{b,c}	592.28	385.56		
Disbursements ^b	225.43	452.59		
No. of Ongoing Grants ^a (as of 31 Dec 2017)	-			
	2016 (\$ million)		2017 (\$ million)	
	2016 (\$ million)	2017 (\$ million)	2016 (\$ million)	2017 (\$ million)
Contract Awards ^{b,c}	-	-	-	-
Disbursements ^{b,d}	-	-	-	-
Actual Problem Projects (%) (as of 31 Dec 2017)			14	

- = nil.

^a Based on commitments.

^b Includes closed loans/grants that had contract awards or disbursements during the year.

^c Excludes policy-based lending/grants.

^d Includes only Asian Development Fund and other ADB special funds.

Uzbekistan: Projects Cofinanced, 1 January 2013–31 December 2017

Cofinancing	No. of Projects	Amount (\$ million)
Projects ^a	6	1,249.00
Official loans	5	840.00
Commercial cofinancing	1	409.00
Technical Assistance Grants	6	5.30

^a A project with more than one source of cofinancing is counted once.

Uzbekistan: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	2016		2017		Cumulative (as of 31 Dec 2017)	
	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total
Goods, Works, and Related Services	35.77	0.32	90.63	0.87	765.27	0.45
Consulting Services	2.39	0.38	1.65	0.22	20.06	0.17
Total Procurement	38.16	0.32	92.28	0.83	785.33	0.43

Top 5 Contractors/Suppliers from Uzbekistan Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2013–31 December 2017

Contractor/Supplier	Sector	Contract Amount (\$ million)
Juydam Tamirchi LLC	WUS	94.61
Kuvasoytamirqurilish LLC	WUS	41.75
2-MKK LLC & 10-Qishloqqurilishkorhonasi LLC (JV)	WUS	12.77
Supper Fortuna LLC	WUS	7.24
Kogonsuvqurilish LLC	ANR	6.79
Others		108.67
Total		271.82

ANR = agriculture, natural resources, and rural development; WUS = water and other urban infrastructure and services.

Top 5 Consultants from Uzbekistan Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2013–31 December 2017

Consultant	Sector	Contract Amount (\$ million)
Intellek Service LLC	WUS	0.80
Royal Dizayn Loyiha LLC	WUS	0.79
Fargona Kommunal Fukaro Kurilish	WUS	0.65
Nazar Business and Technology LLC	ENE, MUL	0.46
Grant Thornton LLC	ANR, FIN, WUS	0.35
Individual Consultants		3.65
Others		1.69
Total		8.38

ANR = agriculture, natural resources, and rural development; ENE = energy; FIN = finance; MUL = multisector; WUS = water and other urban infrastructure and services.

TFP supported approx. \$4.5 billion in trade through approximately 3,500 transactions.

COFINANCING

Cofinancing operations enable ADB's financing partners, governments or their agencies, multilateral financing institutions, and commercial organizations, to participate in financing ADB projects. The additional funds are provided in the form of official loans and grants, technical assistance, other concessional financing, and commercial cofinancing such as B loans, risk transfer arrangements, parallel loans and equity, guarantee cofinancing, and cofinancing for transactions under ADB's TFP and Supply Chain Finance Program

From 2001 to the end of 2017, cumulative direct value-added official cofinancing commitments for Uzbekistan amounted to \$1.21 billion for 13 investment projects and \$10.28 million for 14 technical assistance projects. Cumulative direct value-added commercial cofinancing for Uzbekistan amounted to \$3.15 billion for three investment projects.

In 2017, Uzbekistan received \$300.00 million loan cofinancing from the Islamic Development Bank for the Affordable Rural Housing Program.

A summary of projects with cofinancing from 1 January 2013 to 31 December 2017 is available at www.adb.org/countries/uzbekistan/cofinancing.

PARTNERSHIPS

ADB closely coordinates programs and projects with multilateral and bilateral development partners in Uzbekistan.

The Talimarjan Power Project was implemented with cofinancing by the Japan International Cooperation Agency (JICA) and coordinated development support from the World Bank. The CAREC Corridor 2 Road Investment Program is supported by cofinancing from the Islamic Development Bank. The CAREC Corridor 6 Railway Electrification Project (Marakand–Karshi) is implemented with coordinated development assistance by JICA. The Amu Bukhara Irrigation System Rehabilitation Project is being implemented with parallel financing by JICA.

In 2017, ADB approved its first results-based loan to Uzbekistan for the Affordable Rural Housing Program, cofinanced by the Islamic Development Bank.

PROCUREMENT

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its developing member countries; and several billion dollars in contracts to procure goods, works, and consulting services. Most contracts are awarded on the basis of international competition, which is open to firms and individuals from any ADB member, regional or nonregional.

Share of ADB's Procurement Contracts

Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations totaled \$11.28 billion in 2016 and \$10.43 billion in 2017. Cumulative

procurement since 1966 was \$169.12 billion covering 211,316 contracts.

In Uzbekistan, 877 contracts worth \$765.27 million were awarded to contractors and suppliers since 1995.

Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations totaled \$627.79 million in 2016 and \$741.84 million in 2017. Cumulative procurement since 1966 was \$12.02 billion covering 55,420 contracts.

In Uzbekistan, 505 contracts worth \$20.06 million were awarded to consultants since 1995.

OPERATIONAL CHALLENGES

With a growing portfolio of projects in Uzbekistan, ADB and the government must continue to monitor project implementation and management procedures.

Procedures for project initiation and midcourse implementation should be further strengthened to sustain portfolio performance and ensure that activities are aligned with the COBP.

Regular portfolio reviews—conducted by oversight authorities, technical agencies, and ADB—have enabled quick decisions and actions to address implementation issues. Project performance is being improved by strengthening the capacity of executing and implementing agencies on project implementation, particularly on procurement and contract management.

ADB is providing technical assistance to develop stronger governance, promote results-based performance in local government, create more effective public management, and strengthen the oversight authorities' project management processes and capacity.

FUTURE DIRECTIONS

In the medium term, ADB will support the economic expansion of Uzbekistan

through industrial development and agricultural diversification, underpinning the longer-term objective of creating jobs and improving the livelihoods of rural residents. In addition to public sector assistance, ADB will explore direct investments in the private sector and public-private partnership opportunities.

To attract private sector investment and expand access to financial

resources for entrepreneurial purposes, ADB will continue to provide assistance for infrastructure modernization as a priority for inclusive growth. ADB will also seek to secure the sustainability of Uzbekistan's economic growth by deepening and broadening its knowledge products and services.



ABOUT UZBEKISTAN AND ADB

ADB Membership

Joined 1995

Shareholding and Voting Power

Number of shares held:	71,502 (0.674% of total shares)
Votes:	111,109 (0.837% of total membership, 1.285% of total regional membership)
Overall capital subscription:	\$1.02 billion
Paid-in capital subscription:	\$50.93 million

In-chang Song is the Director and **Bobur Khodjaev** is the Alternate Director representing Uzbekistan on the ADB Board of Directors.

Takeo Konishi is the ADB Country Director for Uzbekistan. The Uzbekistan Resident Mission was opened in 1998 and provides the primary operational link for activities between ADB and the government, the private sector, civil society stakeholders, and development partners. The resident mission engages in policy dialogue, country partnership strategy development and programming, and portfolio management, while also acting as a knowledge base on development issues in Uzbekistan.

The Uzbekistan government agency handling ADB affairs is the State Committee for Investments.

ABOUT THE ASIAN DEVELOPMENT BANK

ADB is a multilateral development bank owned by 67 members, 48 from the region and 19 from other parts of the world. ADB's main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2017, lending volume was \$18.72 billion (111 projects), with technical assistance at \$200.53 million (246 projects) and grant-financed projects at \$597.49 million (24 projects). In addition, \$11.92 billion was generated in direct value-added cofinancing in the form of official loans and grants, other concessional cofinancing, and commercial cofinancing such as B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB's Trade Finance Program. From 1 January 2013 to 31 December 2017, ADB's annual lending volume averaged \$14.55 billion. In addition, investment grants and technical assistance funded by ADB and Special Funds resources averaged \$617.74 million and \$166.28 million over the same period. As of 31 December 2017, the cumulative totals excluding cofinancing were \$255.14 billion in loans for 2,955 projects in 44 countries, \$8.36 billion in 328 grants, and \$4.27 billion in technical assistance grants, including regional technical assistance grants.

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Useful ADB websites

Asian Development Bank
www.adb.org

Asian Development Outlook
www.adb.org/publications/series/asian-development-outlook

Annual Report
www.adb.org/documents/series/adb-annual-reports

Depository Libraries
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To access a complete list of development and economic indicators, visit:

Statistics and Databases
www.adb.org/data/statistics