

JICA's Activities in Uzbekistan

~History, Today and Future~

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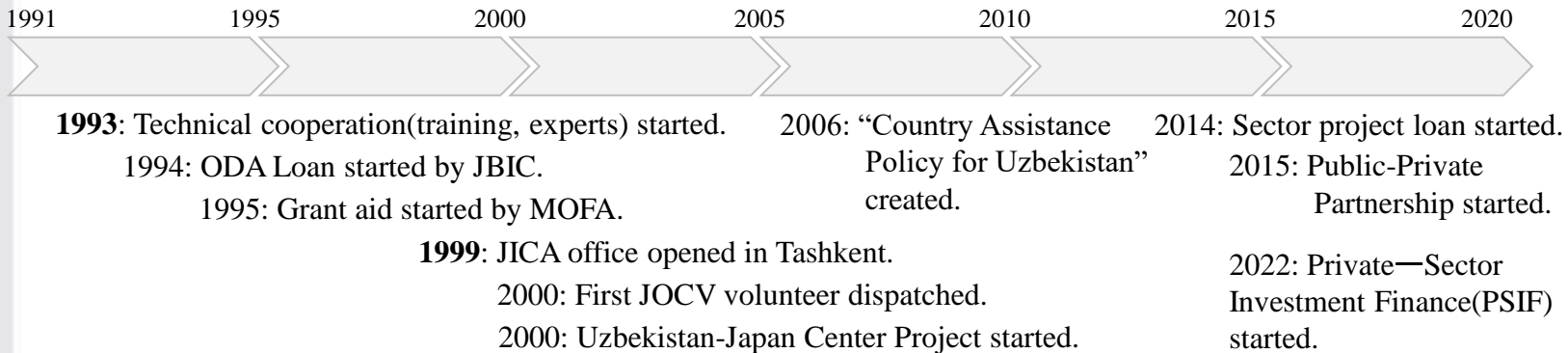
What we do

JICA supports socioeconomic development in developing countries through flexible combination of various types of assistance schemes.

| Types of Major Assistance Scheme | Overview of Scheme |
|--|---|
| Financial Assistance (ODA Loan, Private-Sector Investment Finance) | ODA Loans are extended under generous lending conditions (long repayment periods, low interest rates) for projects supporting the development of developing countries, and are applied to infrastructure construction and other projects and programs requiring a large amount of funding . Private-Sector Investment Finance, on the other hand, provides financial support for private-sector activities in developing countries. |
| Grants | Grants provide funds to low-income developing countries without the obligation of repayment to support the construction of facilities necessary for social and economic development, such as schools, hospitals, wells, and roads, and the procurement of equipment and other supplies. |
| Technical Cooperation (TC) | Technical cooperation supports the development of human resources that will promote socioeconomic development, the improvement of technical standards, and the establishment of administrative systems by utilizing the knowledge, experience, and technologies of Japan. By accepting training participants in Japan and dispatching Japanese experts , JICA assists developing countries' capacity development in solving problems. |
| Volunteer Program | JICA dispatches volunteers such as Japan Overseas Cooperation Volunteers (JOCVs) as a part of its citizen participatory cooperation. |
| Public-Private Partnership | By providing support for the introduction of excellent technologies and products by Japanese private companies and their participation in projects, JICA contributes to the solution of the social and economic issues faced by developing countries. |

History

JICA has been operating assistance in Uzbekistan since 1993.



Today: Priorities

Japan's Country Assistance Policy for Uzbekistan lists the following three areas of focus;

| No. | Priority Areas | Directions |
|-----|--|---|
| 1 | Improvement of Economic Infrastructure (Transport and energy) | <p>Development of Transport Infrastructure</p> <ul style="list-style-type: none"> ➤ Focusing on railway projects on which Japanese technologies have advantages. ➤ Focusing on road projects on which Japanese technologies have advantages, such as bridges, tunnels and disaster prevention. <p>Development of Energy Infrastructure</p> <ul style="list-style-type: none"> ➤ Formulating Loan projects, making use of Japanese technologies, such as Combined Cycle Gas Turbines. |
| 2 | Vitalization of Private Sector | <p>Private sector development</p> <ul style="list-style-type: none"> ➤ Formulating Technical Cooperation projects in which Japan has advantages over other donors, such as Uzbekistan-Japan Center for Human Development, and assistance in legislation and legal system for improvement of business environment. ➤ Coordinating with other donors, focusing on improvement of business environment. |
| 3 | Agricultural Reform and Rural Development | <p>Agricultural sector development</p> <ul style="list-style-type: none"> ➤ Increasing farmers' income by support in cultivation of crops which are not subject to state procurement system. <p>Health sector and rural area development</p> <ul style="list-style-type: none"> ➤ Formulating projects aiming for enhancement of healthcare and education in rural areas. ➤ Maximizing aid effectiveness by coordination with other donors. |

1/3 Improvement of Economic Infrastructure

| Scheme | Major on-going projects | Amount (million yen) | Approval Date (MM/YYYY) |
|--------|-------------------------|-------------------------|----------------------------|
|--------|-------------------------|-------------------------|----------------------------|

Transport Sector

| | | | |
|------|---|--------|---------|
| Loan | Karshi-Termez Railway Electrification Project | 18,067 | 02/2012 |
|------|---|--------|---------|

Energy Sector

| | | | |
|------|--|------------|---------|
| Loan | Development Policy Support Program (power sector reform) | 195mil USD | 04/2021 |
| Loan | Electric Power Sector Capacity Development Project (Phase 2) | 36,621 | 12/2019 |
| Loan | Navoi Thermal Power Plant Modernization Project (Phase 2) | 128,246 | 12/2019 |
| Loan | Tashkent Thermal Power Cogeneration Plant Construction Project | 12,000 | 10/2015 |
| Loan | Electric Power Sector Capacity Development Project | 3,000 | 01/2015 |
| Loan | Turakurgan Thermal Power Station Construction Project | 71,839 | 11/2014 |
| Loan | Navoi Thermal Power Station Modernization Project | 34,877 | 08/2013 |



Karshi-Termez Railway



Navoi Training Center



Turakurgan Thermal Power Station
Japan International Cooperation Agency

2/3 Vitalization of Private Sector

| Scheme | Major on-going projects and | Amount (million yen) | Approval Date (MM/YYYY) |
|----------------|---|-------------------------|----------------------------|
| Grant | Japanese Grant Aid for Human Resource Development Scholarship (JDS) | 291 | 08/2020 |
| Scheme | Major on-going projects | Amount (million yen) | Period |
| TC | The Project for Strengthening the Capacity of Research Activities of Uzbek-Japan Innovation Center of Youth (UJICY) | 350 | 01/2019~ 03/2024 |
| TC | Uzbekistan-Japan Center (IV-Phase) | 470 | 12/2015 ~ 11/2021 |
| TC (Expert) | Investment Promotion Advisor to Ministry of Investment and Foreign Trade (MIFT) | N/A | 01/2021 ~ 01/2022 |



UJICY



Uzbekistan-Japan Center



JSD

3/3 Agricultural Reform and Rural Development

| Scheme | Major on-going projects | Amount (million yen) | Approval Date (MM/YYYY) |
|--------|-------------------------|-------------------------|----------------------------|
|--------|-------------------------|-------------------------|----------------------------|

Agricultural Sector

| | | | |
|------|--|--------|---------|
| Loan | Horticulture Value Chain Promotion Project | 23,023 | 12/2019 |
| Loan | Amu-Bukhara Irrigation System Rehabilitation Project | 11,872 | 01/2015 |



Horticulture Value Chain Promotion



Amu-Bukhara Irrigation System



3/3 Agricultural Reform and Rural Development

| Scheme | Major on-going projects | Amount (million yen) | Approval Date (MM/YYYY) |
|--------|-------------------------|-------------------------|----------------------------|
|--------|-------------------------|-------------------------|----------------------------|

Health Sector

| | | | |
|------|---|--------|-----------|
| Loan | COVID-19 Crisis Response Emergency Support Loan * Co-Finance with World Bank | 15,000 | 03/2021 |
| TC | Project for the Prevention and Control of Non-Communicable Disease | 450 | 2021-2025 |
| TC | Remote training survey on prevention of Health-Associated Infections (HAI) | 39 | 2021-2022 |

Education Sector

| | | | |
|-----|---|-----|-----------|
| TC | Project for strengthening practice of Inclusive Education in Preschool Education | 230 | 2021-2024 |
| PPP | Learning Management System (LMS) application to improve regional school teachers' qualification and eliminate educational disparity | 100 | 2019-2021 |
| PPP | Introduction of a Japanese-style Academic Achievement Test Model | 100 | 2021-2023 |
| PPP | Eliminating regional disparity of science-math education and improving supplementary educational materials | 28 | 2022-2023 |

Future

- Public-Private Partnership (PPP)
- Job Creation
- Green Growth



Signing of a Loan Agreement for Zarafshan Wind Farm Project in Uzbekistan (Private Sector Investment Finance): Contributing to promotion of renewable energy and improvement of electricity supply-and-demand situation

The Japan International Cooperation Agency (JICA) signed a loan agreement with Shamol Zarafshan Energy Foreign Enterprise Limited Liability Company, which will implement the Wind Farm Project in the Republic of Uzbekistan. This is the first project in Uzbekistan since the resumption of the Private Sector Investment and Finance scheme and is co-financed with the International Finance Corporation (IFC), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), Natixis, and First Abu Dhabi Bank.

The energy mix of Uzbekistan mainly consists of thermal power generation using abundant, domestically produced natural gas and coal, with thermal power generation and hydropower generation accounting for about 92.5% and about 7.5%, respectively, of its total output of electricity (the International Energy Agency's projection in 2020), and the adverse environmental impact is high. In light of this situation, the government is working on the promotion of renewable energy, with the aim of adhering to the Paris Agreement and increasing the share of renewable energy within the energy mix to 25% by 2030. Furthermore, in Uzbekistan, demand for electricity exceeds supply. This loan will support the accomplishment of these goals and ensure an increase in and stabilization of the electricity supply in Uzbekistan by developing wind power generation facilities. This project will contribute to the achievement of SDGs Goals 7 (Affordable and clean energy), 13 (Climate action), and 17 (Partnerships for the goals).

This is the first large-scale wind farm project (500MW) in Uzbekistan in which both construction and operation are to be carried out by a private company. The Borrower's sponsor, Abu Dhabi Future Energy Company PJSC - Masdar, is one of the largest developers of renewable energy projects in the Middle East. They are active in more than 40 countries and have extensive experience in renewable energy generation. As a result of project financing provided by development finance institutions including JICA, this undertaking is expected to be a model case to attract future investment from private companies in subsequent similar projects, not only in Uzbekistan but also elsewhere in the Central Asia and Caucasus region.



Ceremony in Tashkent

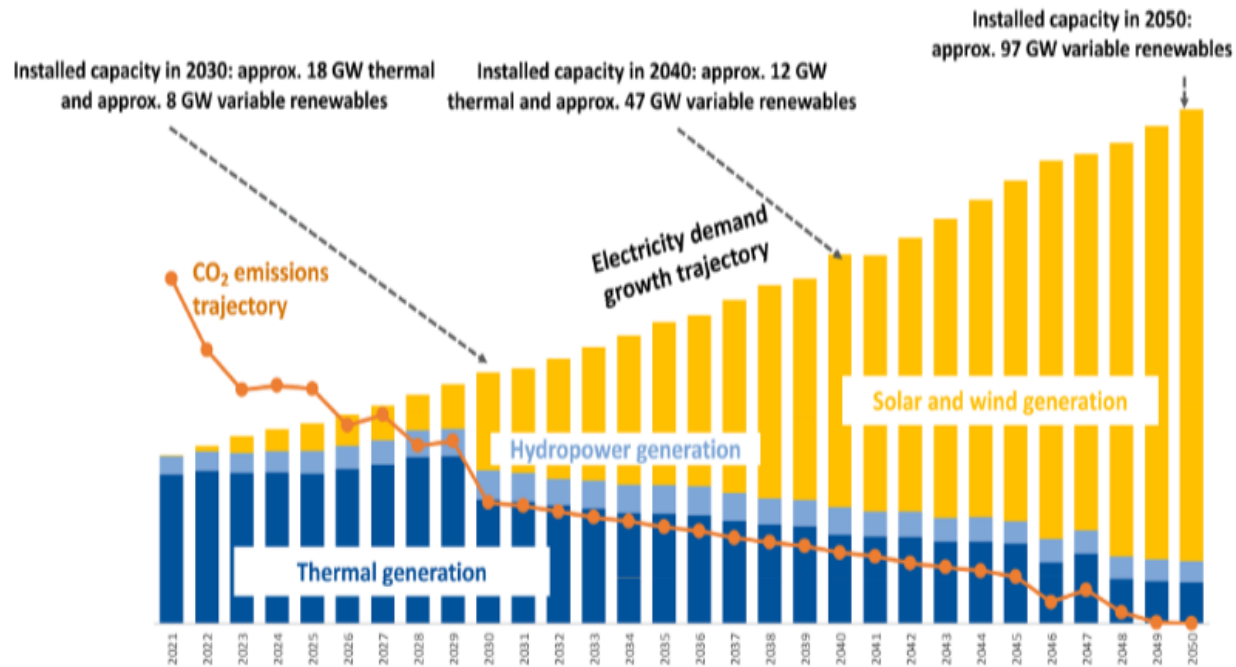


Project Site

Job Creation

Green Growth

Figure 6. Evolution of the power-generation mix and CO₂ emissions under a carbon-neutral scenario



The project is still in progress and the results above can change subject to inputs from the government of Uzbekistan and further modelling adjustments.

Note: Thermal generation capacity includes nuclear power, as set out in the 2020-30 Concept.

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