

SBF Project Implementation Monitoring Report

Uzbekistan: Rural Infrastructure Development Project (previously: Prosperous Villages Project)

1. Project Information

Project ID:	000328	Investment Number:	L0328A-UZB
Member:	Uzbekistan	Region:	Central asia
Sector:	Rural Infrastructure and Agriculture Development	Sub-sector:	Rural market infrastructure
AIIB Financing Type:	Loan: 82 USD million	Co-financier(s):	World Bank
E&S category:	B	Borrower:	Republic of Uzbekistan
Red Flags Assigned:	0	Monitoring Regime:	Regular Monitoring
Implementing Agency:	Ministry of Economic Development and Poverty Reduction (MoEDPR)		
Project Team Leader:	Zacharias Ziegelhöfer		
Project Team Members:	Zacharias Ziegelhöfer, Infrastructure Sector Economist. Zhixi Zhu, Environment Specialist. Irish Fe Aguilar, Social Development Specialist. Yi Geng, Sr. Financial Management Specialist. Jurminla Jurminla, Sr. Procurement Specialist. Liu Yang, Counsel.		
Completed Site Visits by AIIB:			
Planned Site Visits by AIIB:			

2. Project Summary and Objectives

The Project Objectives are to (i) improve the quality of basic infrastructure and services; and (ii) strengthen participatory local governance processes in targeted rural villages.

This is a multi-sectoral rural infrastructure project. The project has the following two components.

Component 1: Demand-driven Investments in Basic Infrastructure and Services. The Project will finance sub-projects comprising investments in basic infrastructure and services which will be planned and prioritized jointly by participating in district administrations and communities. The types of investments will include access to water supply for drinking, irrigation, and agricultural production; sanitation services; rehabilitation of social facilities; rehabilitation of roads, footpaths and bridges; rural electrification, and energy efficiency improvements. Investments are subject to a negative list that includes housing construction and renovation or any investments that require physical displacement or resettlement of people.

Component 2: Project Management, Monitoring and Evaluation, and Institutional Support. This component will support a project implementation structure within the MoEDPR. The component will provide financing for operational costs, consultants, essential equipment, technical assistance, and training. Funding will also be provided for information dissemination, beneficiary assessments, periodic surveys, monitoring and evaluation (M&E) activities, a management information system (MIS), project audits, and a project-level grievance redress mechanism (GRM) that will handle grievances.

3. Key Dates

Approval:	Dec. 12, 2019	Signing:	May. 28, 2020
Effective:	Jun. 24, 2020	Restructured (if any):	Oct. 5, 2020
Orig. Closing:	Dec. 31, 2024	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

a) Committed:	82	b) Cancellation (if any):	
c) Disbursed:	0	d) Most recent disbursement: (amount / date)	0,
e) Undisbursed:	82	f) Disbursement Ratio(%) ¹ :	0

¹ Disbursement Ratio is defined as the volume (i.e. the dollar amount) of total disbursed amount as a percentage of the net committed volume, i.e., $f = c / (a - b)$

5. Project Implementation Update

Project implementation is expected to commence in October 2020. A recent virtual implementation support mission confirmed that the Government decision (Presidential Resolution) on project implementation, which is a prerequisite for the commencement of project implementation, is imminent. 38 of 47 Project Implementation Unit (PIU) staff operating at the central and regional levels have been recruited, and recruitment is underway for the remaining nine staff. The Project Operations Manual (POM) and supporting documentation acceptable to the WB and AIIB was adopted on May 18, 2020, translated into the Uzbek and Russian languages, and disclosed publicly. Procurement for two key consulting services packages is progressing (albeit with delays), and the PIU is adapting project launch and training events into virtual formats due to COVID-19-related restrictions and safety requirements. The Government has requested to change the project name from Prosperous Villages Project to Rural Infrastructure Development Project. The required Project Change to reflect the name change has been approved by AIIB on September 22, 2020, and the amendment to the legal documents has been countersigned by both parties on October 5, 2020. There are no proposed changes to the Project's Objectives, components, cost, safeguards policies, or other key design features.

Components	Physical Progress	Environmental & Social Compliance	Procurement
Component 1: Demand-driven Investments in Basic Infrastructure and Services. The Project will finance sub-projects comprising investments in basic infrastructure and services which will be planned and prioritized jointly by participating district administrations and communities. The types of investments will include: access to water supply for drinking, irrigation, and agricultural production; sanitation services; rehabilitation of social facilities; rehabilitation of roads, footpaths and bridges; rural electrification, and energy efficiency improvements. Investments are subject to a negative list that includes housing construction and renovation or any investments that require physical displacement or resettlement of people.	No physical progresses yet.	Social and environmental safeguards. The POM, which was approved by the WB and adopted by the MoEDPR on May 18, 2020, is in line with the environmental and social safeguards procedures defined in the Environmental and Social Management Framework (ESMF) and Resettlement Policy Framework. The POM provides additional details on the PVP's grievance redress hotline, including phone number and email address, and grievance redress procedures. The ESMF has incorporated safety procedures for COVID19 pandemic, which is under the WB and AIIB's review.	Procurement for two key consulting service packages has been substantially delayed: i) Facilitating Partner for Namangan region (MoED-PVP-CS-1); and ii) Facilitating Partner for Ferghana and Andijan regions (MoED-PVP-CS-2) due to a long-awaited Ministerial Order formally establishing the procurement commission. The Ministerial Order is now in place; however, pace of project implementing is slow while the Government Administration is affected hit by the spread of COVID-19. The current procurement performance rating by the World Bank is as "moderately unsatisfactory" and AIIB concurs to it.
Component 2: Project Management, Monitoring and Evaluation, and Institutional Support. This component will support a project implementation structure within the Ministry of Economy and Industry. The component will provide financing for operational costs, consultants, essential equipment, technical assistance, and training. Funding will also be provided for information dissemination, beneficiary assessments, periodic surveys, monitoring and evaluation (M&E) activities, a management information system (MIS), project audits, and a project-level grievance redress mechanism (GRM) that will handle grievances.	No physical progresses yet.	Social and environmental safeguards. The POM, which was approved by the WB and adopted by the MoEDPR on May 18, 2020, is in line with the environmental and social safeguards procedures defined in the Environmental and Social Management Framework (ESMF) and Resettlement Policy Framework. The POM provides additional details on the PVP's grievance redress hotline, including phone number and email address, and grievance redress procedures. The ESMF has incorporated safety procedures for COVID19 pandemic, which is under the WB and AIIB's review.	Commencement of project implementation imminent.

Financial Management:

The PIU has adopted a Project Operations Manual, which is satisfactory to the WB and AIIB. The hiring of key project financial staff is still in process, and also due to project restructuring, the opening of the Designated Account was delayed.

6. Status of the Grievance Redress Mechanism (GRM)

The PIU has adopted a POM, which is satisfactory to the WB and AIIB. The POM also defines the GRM. The commencement of project implementation is imminent and no complaints have yet been received under the GRM.

7. Results Monitoring

N/A

Baseline Year: Jul. 24, 2020 End Target Year: Dec. 30, 2024

Project Objective Indicators	Year	Target	Actual	Others, if any
Percentage of sampled male and female respondents who report improvements in the quality of basic rural infrastructure (Percentage).	Oct. 16, 2020	60.00	0	
Percentage of beneficiaries (male/female) who participate in planning, decision-making, or monitoring subprojects (Percentage)	Oct. 16, 2020	60.00 women	0	
Number of social audits that have been completed across the targeted rural qishloqs (Number)	Oct. 16, 2020	100.00	0	

Intermediate Result Indicators	Year	Target	Actual	Others, if any
Number of subproject investments (disaggregated by type) (Number)	Oct. 16, 2020	Baseline: 0.00 Intermediate Targets: 100.00, End Target: 300.00	0	
Percentage of subprojects that support climate change adaptation or mitigation (Percentage)	Oct. 16, 2020	Baseline: 0.00 Intermediate Targets: 25.00, End Target: 25.00	0	
Percentage of beneficiaries in targeted rural qishloqs with improved quality of water supply as a result of project investments (Percentage)	Oct. 16, 2020	Baseline: 0.00 Intermediate Targets: 80.00, End Target: 80.00	0	
Number of project beneficiaries (male/female) (Text)	Oct. 16, 2020	Baseline: 0.00 Intermediate Targets: 110,000 total 55,000 women, End Target: 330,000 total 165,000 women.	0	
Number of targeted rural qishloqs that produce development plans that reflect community members (male/female) priorities. (Number)	Oct. 16, 2020	Baseline: 0.00 Intermediate Targets: 100.00, End Target: 300.00	0	
Percentage of targeted rural qishloqs that	Oct. 16, 2020	Baseline: 37%	0	

<p>have at least 50% female representation in the MCA project committees and social accountability roles (monitoring and oversight) (Text)</p>		<p>Mahalla Project Committees 0 Social Accountability Roles, Intermediate Targets: 50% Mahalla Project Committees 50% Social Accountability Roles, End Target: 50% Mahalla Project Committees 50% Social Accountability Roles</p>		
<p>Percentage of district project committee members that are female (Percentage)</p>	<p>Oct. 16, 2020</p>	<p>Baseline: 11.00 Intermediate Targets: 50.00, End Target: 50.00</p>	<p>0</p>	
<p>Percentage of infrastructure subprojects for which procurement data is publicly accessible. (Percentage)</p>	<p>Oct. 16, 2020</p>	<p>Baseline: 0.00 Intermediate Targets: 100.00, End Target: 100.00</p>	<p>0</p>	
<p>Percentage of grievances (gender disaggregated) which are received that are resolved (Percentage)</p>	<p>Oct. 16, 2020</p>	<p>Baseline: 0.00 Intermediate Targets: 100.00, End Target: 100.00</p>	<p>0</p>	
<p>Percentage of qishloqs for which the required information is uploaded to the MIS in a timely fashion for project management to monitor results and for citizens to access (Percentage)</p>	<p>Oct. 16, 2020</p>	<p>Baseline: 0.00 Intermediate Targets: 80.00, End Target: 80.00</p>	<p>0</p>	

Remarks: