



### Project Summary Information

Date of Document – May 21, 2025	
<b>Project Name</b>	Kyrgyzstan – Water Supply and Sanitation Universal Access Project
<b>Project Number</b>	P000915-KYZ
<b>AIIB member</b>	Kyrgyz Republic
<b>Sector/Subsector</b>	Water/Water supply, sanitation, and wastewater treatment
<b>Status of Financing</b>	Approved
<b>Project Description</b>	<p>The Project is proposed to be part of the Water Supply and Sanitation Universal Access Program, designed and co-financed with the World Bank (WB) and other co-financiers under a Multiphase Programmatic Approach (MPA) to provide universal access and improve the sustainability of water supply and sanitation services in the Kyrgyz Republic, through three progressive phases. Phase 1 will focus on investment in water supply and sanitation covering unserved and underserved rural settlements. Phase 2 will build on lessons learnt in Phase 1 and scale up the investments while Phase 3 will scale-up investment with a strong emphasis on knowledge exchange and adoption of the policies, plans and tools developed under the previous two phases.</p> <p>Phase 1 of the Program (the Project) will be jointly co-financed by AIIB, WB and OPEC Fund, for the construction and upgrade of water supply infrastructure with climate-resilient features and priority improvements to on-site sanitation for households and public institutions (schools, hospitals, etc.) and technical assistance, in 126 rural villages and small towns in Chui, Issyk-Kul, and Osh regions, benefitting around 450,000 people. The Project is planned to have five components as described below:</p> <ul style="list-style-type: none"> <li>• Component 1. Water Supply Investments, which include Component 1.1 water supply access to the unserved and Component 1.2 water supply upgrades;</li> <li>• Component 2. Sanitation Development;</li> <li>• Component 3. Performance-based Service Improvement;</li> <li>• Component 4. Program Structuring and Management and Institutional Development Support; and</li> <li>• Component 5. Contingent Emergency Response.</li> </ul> <p>AIIB provides loan to finance Component 1.2 Water Supply Upgrades.</p>

	In addition to the proposed sovereign-backed loan, AIIB has approved a Project Preparation Special Fund (PPSF) grant of USD 4 million to support the subproject preparation and early implementation under the Project <sup>1</sup> . Through the PPSF grant, AIIB will support the detailed design of subproject with climate mitigation and resilience features, E&S baseline survey and institutional development, to enhance technical readiness and ensure high level of E&S safeguards throughout the envisaged PPSF support to project preparation. AIIB's participation and support in the Project also aims to promote the long-term sustainable development of the Water Supply and Sanitation Sector of the Kyrgyz Republic.
<b>Objective</b>	The Project's objective is to increase access to water supply and sanitation (WSS) services and improve the service delivery capacity in selected areas of the Kyrgyz Republic.
<b>Expected Results</b>	<p>The Project will focus on delivering two key areas of results: (i) increased access to WSS services and (ii) improved capacity of WSS services, including quality, financial sustainability and operational efficiency. Expected Results will be measured using the following performance indicators:</p> <ul style="list-style-type: none"> <li>• Outcome 1: To increase access to improved WSS services: <ul style="list-style-type: none"> <li>(i) People provided with new or improved access to safely managed drinking water supply services (Number),</li> <li>(ii) People provided with new or improved access to sanitation facilities (Number).</li> <li>(iii) People benefiting from climate resilient infrastructure (Number).</li> </ul> </li> <li>• Outcome 2: To improve the service delivery capacity of the water supply service providers, especially the capacity to provide quality water service, to implement cost-recovery water tariff and collect bills, and to operate and maintain water assets in a sustainable way. The Main indicator is proposed as follows: <ul style="list-style-type: none"> <li>(i) Water supply service providers with an operating cost coverage ratio of 100%.</li> </ul> </li> </ul>
<b>Environmental and Social Category</b>	B
<b>Environmental and Social Information</b>	<b>Applicable Policy and the Categorization.</b> As the lead co-financier, the Environmental and Social Management Framework (ESF) of the World Bank (WB) including its environmental and social standards (ESSs) will apply to this Project, which is in lieu of AIIB's ESF. The environmental and social (ES) risks and impacts are readily identifiable and can be avoided, minimized, or mitigated through proper assessment and the implementation of readily available mitigation measures. The scope of the Project excludes activities that could have high ES risks. Therefore, WB has categorized the

<sup>1</sup> [Kyrgyzstan: Water Supply and Sanitation Universal Access Project - Projects - AIIB](#)

ES risk of the Project as substantial for environmental risk and moderate for social risk. According to AIIB's ESF, the Project is classified as Category B.

**Environmental and Social Instruments:** While the types of subprojects and the regions/districts to be supported are known, the precise locations and design options for each subproject are not yet determined and will be finalized during Project implementation. As a result, a framework approach to ES risk management will be applied. The Borrower has prepared the necessary framework documents, including an ES Management Framework (ESMF), Stakeholder Engagement Plan (SEP), Resettlement Policy Framework (RPF), and Labor Management Procedures (LMP). The ESMF provides a general assessment of the ES risks and impacts based on the nature and type of subprojects and the location of these subprojects. It outlines generic mitigation measures in line with the mitigation hierarchy and provides guidance for subproject planning, design, construction, operation, implementation, and monitoring. Subproject-specific ES instruments will be developed during Project implementation, based on the framework documents. An ES Commitment Plan (ESCP) was updated and disclosed on March 17, 2025<sup>2</sup>.

**Environment Aspects:** The Project's environmental risks and impacts are mainly associated with small- and medium-scale activities under Component 1 (water supply) and Component 2 (sanitation development). The subprojects will be located in rural and semi-urban areas. These subprojects involve clearing and leveling of land, excavations, laying pipelines, storage and transportation of construction materials and equipment, drilling boreholes, installation of pumps, construction of distribution tanks, and establishment of worker facilities, among other activities. The anticipated risks and impacts during construction include pollution from the generation of hazardous and non-hazardous waste, traffic congestion, dust, noise, vibration, disturbance to ecosystems, and occupational and community health and safety issues. During operation, risks and impacts are mainly related to the management of wastewater and fecal sludge from sanitation facilities, which could lead to contamination of soil and water resources, pathogen exposure, and odors if not properly managed. Site-specific ES instruments such as site-specific ES management plan (ESMP) will be prepared to guide pollution prevention and control, resource efficiency, and biodiversity management in a site-specific manner.

**Social and Gender Aspects.** The construction of new water supply schemes may require land acquisition, temporary land use restrictions and involuntary resettlement that could impact livelihoods in the area around the project facilities. Similarly, investments under the sanitation development component could involve land acquisition, temporary land use restrictions and involuntary resettlement, with potential impacts to community livelihoods. No significant risks related to labor influx and Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) are expected under the Project during construction, as most project workers will be recruited locally. The RPF prepared for the Project has provisions to address the impacts related to both land acquisition and temporary land use. In case of land acquisition and impact on livelihood and involuntary

<sup>2</sup> [https://tunuksuu.kg/wp-content/uploads/2025/03/ESCP\\_for\\_Negotiations\\_ENG.pdf](https://tunuksuu.kg/wp-content/uploads/2025/03/ESCP_for_Negotiations_ENG.pdf)

resettlement, a Resettlement Action Plan (RAP) will be prepared and implemented by each subproject. In addition, the proposed project interventions will promote gender diversity in the workplace through gender-neutral recruitment policies and procedures, better working conditions, the development of guidelines for a safe work environment and career opportunities for female graduates. These ES risks and impacts can be avoided, minimized, or mitigated through proper assessment and the implementation of readily available mitigation measures, in accordance with Good International Industry Practice (GIIP).

**Occupational Health and Safety, Labor and Employment Conditions:** The WSS subprojects involve construction and operational activities that may pose Occupational Health and Safety (OHS) risks, including hazards related to excavations, confined space entry, working at heights, and exposure to pathogens. Many activities will occur near settlements, potentially exposing communities to risks such as traffic hazards, noise, dust, vibrations, and access restrictions during construction. The ESMF and LMP assessed these risks and provided generic OHS and Community Health and Safety (CHS) guidance based on the nature of activities and associated risks. Subproject-specific ESMPs will screen and address these risks, and subproject-specific ES instruments will also incorporate tailored OHS and CHS measures, and the Project will maintain records of accidents, with any fatalities or major incidents reported immediately to the WB and AIIB.

**Stakeholder Engagement, Consultation and Information Disclosure:** A SEP has been prepared to identify various stakeholders and outline the approach for engaging with them throughout the project life cycle. The SEP provides guidance in citizen engagement and defines appropriate mechanisms to engage with both direct and indirect project beneficiaries and other concerned parties, including vulnerable groups. Furthermore, the ESMF provides mechanisms for effective community engagement through disclosure of project-related information, consultations, input and feedback. The Borrower has disclosed the ES instruments in English and Russian on its website<sup>3</sup> and WB disclosed the ES instruments in English on its website<sup>4</sup>.

**Project Grievance Redress Mechanism (GRM):** In accordance with the requirement of the WB and AIIB, a dedicated grievance mechanism at three levels, including subproject level, Aiyl Okmotu (AO)<sup>5</sup> level, and national level, will be established for the Project as a project-level GRM. Specific communication materials including GRM brochures or posters in local language will be prepared to help local residents become familiar with grievance channels and procedures. The Project website and the GRM brochures will contain clear information on the project GRM and WB's independent accountability Mechanism (IAM) as well as how any interested party can submit feedback, questions, comments, concerns

<sup>3</sup> <http://tunuksuu.kg/vb-zashitnye-mery/>

<sup>4</sup> [Development Projects : Kyrgyz Republic: Water Supply and Sanitation Universal Access Program-1 Project - P500620](#)

<sup>5</sup> Aiyl Okmotu (AO), the executive body of local self-government in rural areas

	<p>and complaints, and will include the ability to submit complaints electronically. The contractor shall prepare a separate GRM for the contracted workers as part of the contract-specific LMP to address workers' grievances.</p> <p><b>Monitoring and Supervision Arrangements:</b> The State Institution for Drinking Water Supply and Wastewater Disposal and the Project Coordination Unit (PCU) will be responsible for managing the day-to-day project implementation activities, including ensuring the ES compliance of the Project. The PCU will recruit one Environmental Specialist and one Social Specialist, and PCU's each local district unit will also recruit one ES Specialist. The Bank's ES Specialists will carry out field-based ES supervision missions regularly to monitor the implementation of ES instruments. PCU will monitor compliance with the ESMF and prepare semi-annual reports to WB and AIIB for review based on agreed format. Contractors will also be required to submit monthly monitoring reports on ES activities and issues. Health and safety logs, accident records, and environmental quality monitoring results will be documented.</p>			
<b>Cost and Financing Plan</b>	The Project total cost is estimated at USD 200 million. AIIB approved a sovereign-backed loan of CNY 363.9 million (equivalent of USD 50 million), while World Bank will provide USD 121 million from IDA resources, OPEC Fund will provide a credit of USD 20 million and Swiss Agency for Development and Cooperation will provide a grant of USD 9 million.			
<b>Borrower</b>	Kyrgyz Republic			
<b>Implementing Entity</b>	State Institution for Drinking Water Supply and Wastewater Disposal under Water Resources Service under the Ministry of Water Resources, Agriculture and Processing Industry			
<b>Estimated date of loan closing</b>	June 30, 2030			
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<b>Date of Concept Decision</b>	November 13, 2024
<b>Date of Appraisal Decision</b>	December 12, 2024
<b>Date of Financing Approval</b>	May 13, 2025

<b>Independent Accountability Mechanism</b>	The proposed Project will be co-financed with the World Bank (WB). AIIB has agreed that the WB's ES policies and procedures will apply to this Project. Pursuant to the agreement with the WB, the WB's independent accountability mechanism (IAM), Inspection Panel, will handle submissions relating to ES issues under the Project. Consequently, in accordance with the AIIB's Policy on Project-affected People's Mechanism (PPM), submissions to the PPM under this Project will not be eligible for consideration by the PPM. Information on WB's Inspection Panel is available at <a href="#">Home   Inspection Panel</a> .
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