



Project Summary Information

Date of Document Preparation: April 14, 2020 (updated: January 28, 2022)	
Project Name	Bukhara-Miskin-Urgench-Khiva Railway Electrification Project
Document Code	PD00341-PSI-UZB
Country	Republic of Uzbekistan
Sector/Subsector	Transport / Railway
Status of Financing	Approved
Project Description	The project will upgrade the current railway along Bukhara – Miskin – Urgench – Khiva line, adding electrification, signaling and telecommunication, and traction power management systems to the recently built 465 km railway line. The Project will also help to support tourism and transit-oriented economic development along the railway corridor, and an electronic ticketing system to enhance the attractiveness of railway transport.
Objective	To improve railway services for passengers and freight and support tourism development in Western Uzbekistan by electrifying the existing railway line connecting Bukhara, Miskin, Urgench and Khiva.
Expected Results	The expected results of the Project will include: <ul style="list-style-type: none"> (i) travel time for passengers between Bukhara to Khiva reduced from 5.2 hours to 3.0 hours; (ii) travel time for freight trains reduced from 13 hours to 8 hours; (iii) CO2 emissions reduced in tons per year.
Environmental and Social Category	Asian Development Bank (ADB) Category B for Environment, A for Involuntary Resettlement and C for Indigenous Peoples (equivalent to Category A if AIIB's Environmental and Social Policy (ESP) were applicable)
Environmental and Social Information	The proposed Project will be co-financed with the Asian Development Bank (ADB). To ensure a harmonized approach on addressing the Project's environmental and social (ES) risks and impacts, and as permitted under AIIB ESP, ADB's Safeguard Policy Statement (SPS) and related procedures will apply to this Project in lieu of the AIIB's ESP. An Initial Environmental Examination (IEE) accompanied by two Environmental Management Plans (EMP), two Land Acquisition and Resettlement Plans (LARPs) and a Gender Action Plan (GAP) have been prepared.

Environment Aspects. By enhancing the safety and efficiency of a clean mode of transport, the Project is expected to contribute to a reduction of air emissions by replacing diesel locomotive and modal shift from road transport. The railway line does not traverse through any protected areas or buffer zones, however, there are some key biodiversity areas (KBAs) including several Important Bird Areas (IBAs) on the wider surroundings of the project site (in 50km from the alignment). Thus, a biodiversity assessment and Critical Habitat Assessment (CHA) have been conducted. During the process of the assessments, the designer and Uzbekistan Railways (O'zbekiston Temir Yo'llari (UTY)) decided to re-route two sections of transmission lines (TLs) to avoid sensitive areas. The CHA concluded that there will be no significant or irreversible impacts expected with the mitigations embedded in the EMPs and in the Biodiversity Management Plan. Other adverse environmental impacts of this Project are largely temporary and localized and can be well managed following the EMPs.

Climate Change Risks and Opportunities. The whole Project is considered a Climate Mitigation Financing (AIIB loan: USD 108.0 million) as it (i) reduces the carbon intensity of train travel, and (ii) induces modal shift away from road transport. Anticipated estimated GHG emission reduction will be 81,000 tCO₂ /year. Climate adaptation has also been embedded into the Project design.

Social Aspects. The Project design will not lead to physical resettlement, though economic resettlement and land acquisition will occur on agricultural lands and small farms. Land will be acquired temporarily for the construction of the pylons and the stringing of the cables during the construction phase. The draft LARPs and corresponding budgets were prepared based on desktop review and limited field surveys, due to COVID-19 restrictions. Detailed measuring, census and socio-economic surveys, impacts on crops, and vulnerability assessments will be undertaken upon finalization of detailed design to finalize the LARPs and corresponding Entitlement Matrices prior initiation of civil works.

Stakeholder Consultation and Information Disclosure. In March and August 2020, prior to governmental-mandated quarantines, public consultations and meetings took place in the districts of the Khorezm province adjoining to Khiva. The

	<p>IEE and LARPs have been disclosed on the websites of UTY¹ and ADB² in Uzbek, Russian and English languages. The links to these websites are also provided on AIIB's website³.</p> <p>Project Grievance Redress Mechanism (GRM). A two-level Grievance Redress Mechanism (GRM) will be established and implemented by UTY for members of Project-affected communities and construction workers.</p>
Cost and Financing Plan	<p>Total project cost: USD 445.65 million AIIB loan: USD 108.0 million ADB loan: USD 162.0 million UTY and Government of Uzbekistan: USD 175.65 million</p>
Borrower	Republic of Uzbekistan
Loan closing date	December 31, 2026

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Date of Concept Decision	April 21, 2020		
Date of Appraisal Decision	December 8, 2021		
Date of Financing Approval	January 26, 2022		

¹ Russian: https://railway.uz/ru/gazhk/investicionniy_potencial/

Uzbek: https://railway.uz/uz/gazhk/investicionniy_potencial/

English: https://railway.uz/en/gazhk/investicionniy_potencial/

² <https://www.adb.org/projects/53271-001/main>

³ <https://www.aiib.org/en/projects/details/2022/approved/Uzbekistan-Bukhara-Miskin-Urgench-Khiva-Railway-Electrification-Project.html>

Independent Accountability Mechanism	As noted above, the ADB's SPS will apply to this project instead of AIIB's ESP. Pursuant to the Bank's agreement with the ADB, the Bank will rely on the ADB's Independent Accountability Mechanism, the Accountability Mechanism, to handle complaints relating to ES issues that may arise under the project. Consequently, in accordance with the Bank's policy on the Project affected People's Mechanism (PPM), submissions to the PPM under this Project will not be eligible for consideration by the PPM. Information on the ADB's Accountability Mechanism is available at: https://www.adb.org/site/accountability-mechanism/main .
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