



## Agriculture Modernization Project (P158372)

EUROPE AND CENTRAL ASIA | Uzbekistan | Agriculture and Food Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2020 | Seq No: 5 | ARCHIVED on 22-Jun-2022 | ISR51430 |

Implementing Agencies: Ministry of Agriculture - International Center for Strategic Development and Research on Food Security, Ministry of Finance, Ministry of Investment and Foreign Trade, Republic of Uzbekistan

**Key Dates****Key Project Dates**

Bank Approval Date: 20-Mar-2020

Effectiveness Date: 24-Aug-2020

Planned Mid Term Review Date: 31-May-2023

Actual Mid-Term Review Date:

Original Closing Date: 30-Jun-2026

Revised Closing Date: 30-Jun-2026

**Project Development Objectives**

Project Development Objective (from Project Appraisal Document)

The objectives of the project are to (i) enhance productivity-supporting agricultural services and (ii) promote market-led, high-value horticulture value chains.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

**Components Table**

Name

1. Enhancing productivity-supporting agricultural services:(Cost \$212.80 M)
  2. Supporting investments in high-value horticulture value chains:(Cost \$200.00 M)
  3. Facilitating trade and marketing:(Cost \$77.50 M)
  4. Supporting project management:(Cost \$9.00 M)
- Front-End Fees:(Cost \$0.70 M)

**Overall Ratings**

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

**Implementation Status and Key Decisions**

This is the report of the fourth implementation support mission. The project became effective on August 24, 2020 and it had a good start. Most actions agreed during the last Bank mission in December 2021 were either completed or on track to be completed. During the last six months, the Ministry of Agriculture (MOA) and the Project Implementation Unit (PIU) focused on strengthening the implementation system since AMP focuses on institutional reforms and modernization of agricultural public institutions. The MOA also prepared the progressive legislation for an Agricultural Knowledge and Innovation System (AKIS), the National Agricultural Research Center of Excellence, and leasing arrangement for intensive orchards and agrilogistics, which will be supported by AMP. In recent months, the procurement activities on purchase of laboratory and other equipment and consultancy services for assisting with preparation of technical specifications have accelerated. Two regional AKIS centers (in Fergana and Andijan)



will be constructed by the end of August and additional five by the end of December 2022. Underway are also preparations for investments in the regional AKIS centers and the pilots for intensive orchards with smallholder farmers. The Ministry of Finance signed the Subsidiary Loan Agreements (SLA) with the National Bank of Uzbekistan, the Qishloq Qurilish Bank, Turon Bank, and Ipoteka Bank. The World Bank has been supporting the alignment of the systems and processes in these banks to strengthen alignment with environmental and social standards of the World Bank.

## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Macroeconomic	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Sector Strategies and Policies	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Technical Design of Project or Program	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Institutional Capacity for Implementation and Sustainability	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Fiduciary	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Environment and Social	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Stakeholders	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Other	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Overall	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

## Results

### PDO Indicators by Objectives / Outcomes

Enhanced productivity-supporting agricultural services				
▶ Farmers adopting improved agricultural technology (Number, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	12,000.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	<p>This indicator measures the number of farmers (of agricultural products) who have adopted an improved agricultural technology promoted by operations supported by the World Bank.</p> <p>NB: "Agriculture" or "Agricultural" includes: crops, livestock, capture fisheries, aquaculture, agroforestry, timber and non-timber forest products.</p> <p>Adoption refers to a change of practice or change in use of a technology that was introduced or promoted</p>			



by the project.  
Technology includes a change in practices compared to currently used practices or technologies (seed preparation, planting time, feeding schedule, feeding ingredients, postharvest storage/ processing, etc.). If the project introduces or promotes a technology package in which the benefit depends on the application of the entire package (e.g., a combination of inputs such as a new variety and advice on agronomic practices such as soil preparation, changes in seeding time, fertilizer schedule, plant protection, etc.), this counts as one technology.  
Farmers are people engaged in farming of agricultural products or members of an agriculture related business (disaggregated by men and women) targeted by the project.

☐ Farmers adopting improved agricultural technology - Female (Number, Corporate Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1,500.00

☐ Farmers adopting improved agricultural technology - male (Number, Corporate Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	10,500.00

▶ Beneficiaries satisfied with the project supported services (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	75.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Services include extension, finance, logistics and market information, and beneficiaries are farmers and agribusinesses targeted by Component 2 of the project.			

Increased market-led, high-value horticulture value chains

▶ Agribusinesses that have established and maintained productive partnerships with farmers (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	48.00	80.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	The share of agribusinesses, who received credit from the project to establish formal contracts with farmers and farm cooperatives, and maintained and invested in these partnerships by the end of the project			

▶ Horticulture in total arable land area (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	20.00	25.00	25.00	30.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026



Comments:

The availability of funds under AMP for supporting horticulture development has been contributing to the continued agricultural diversification in Uzbekistan, including the increase in area devoted to horticulture production. The authorities prepared several decrees and resolutions, for example for development of horticulture clusters, agri-logistics, leasing arrangements for intensive orchards, and credit line that are soon be used to support investments and further expansion of horticulture land areas. Horticulture land area in 2018 was 791,000 ha. It included 87,000 ha of potatoes; 219,000 ha of vegetables; 52,600 ha of melons; 319,200 ha of orchards; and 113,300 ha of vine grapes. Total arable land was 3,828,500 ha. At the beginning of 2020, the total arable land was 3,373,376 ha. It included 93,118 ha of potatoes; 224,207 ha of vegetables; 60,631 ha of melons; 341,113 ha of orchards; and 125,957 ha of vine grapes. As result, the total horticulture area was 845,026 ha or 25% of total arable land.

Intermediate Results Indicators by Components

1. Enhancing productivity-supporting agricultural services				
▶ Increase in the share of applied research on local adoption and climate-smart agriculture (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	50.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Share of research projects of the participating research institutes that focus on solutions for local adoption of agricultural technologies and climate-smart agriculture out of total number of research projects.			
▶ Increase in production volume of elite and super-elite seeds and seedlings (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	30.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Elite and super elite seeds are being produced by the Seed Production Center under the MOA. Seedlings are produced by various research institutes participating in the project.			
▶ Area with updated agro-technology maps (Hectare(Ha), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	10,000.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Land area for which new or updated agro-technological maps are prepared based on soil tests supported by the project.			
▶ Farmers reached with agricultural assets or services (Number, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	15,000.00



Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	<p>This is the Citizens Engagement Indicator and the Corporate Results Indicator.            Definition: It measures the number of farmers provided with agricultural assets or services as a result of the project support. "Agriculture" or "Agricultural" includes: crops, livestock, capture fisheries, aquaculture, agroforestry, timber, and non-timber forest products. Assets include property, biological assets, and farm and processing equipment. Biological assets may include animal agriculture breeds (e.g., livestock, fisheries) and genetic material of livestock, crops, trees, and shrubs (including fiber and fuel crops). Services include research, extension, training, education, ICTs, inputs (e.g., fertilizers, pesticides, labor), production-related services (e.g., soil testing, animal health/veterinary services), phytosanitary and food safety services, agricultural marketing support services (e.g., price monitoring, export promotion), access to farm and post-harvest machinery and storage facilities, employment, irrigation and drainage, and finance. Farmers are people engaged in agricultural activities or members of an agriculture-related business (disaggregated by men and women) targeted by the project.            Progress: The project is at the initial stage, only beginning to strengthen the capacity of agricultural public institutions to deliver services to farmers and other citizens. During 2021, under component 1, consultations with beneficiary communities and local hokimiyats were conducted by the PIU regarding the project investments in the regional Agricultural Knowledge and Innovations System (AKIS) centers and pilots for establishment of intensive orchards (subcomponent 1.4) in ten regions of Uzbekistan. During these meetings, many farmers confirmed their interest in taking part in intensive orchards, which will be established with the support of the project, and their feedback was incorporated into design of pilots, including on selection of fruit orchards and their suitability for agro-ecology of specific communities. So far, the project selected 44 ha land plot and screening about 300 ha to establish collectively managed intensive orchards. In addition, about 50 farmers expressed the interest to establish intensive orchards on their farmland. This initial citizen engagement will be followed by more consultations with communities led by the PIU after orchards are established and interested farmers begin leasing it on a long-term basis.</p>			
<input type="checkbox"/> Farmers reached with agricultural assets or services - Female (Number, Corporate Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2,250.00
<input checked="" type="checkbox"/> Women recruited as agricultural extension officers (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	12.50	15.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Women recruited by the extension offices supported by the project			
<input checked="" type="checkbox"/> Area under intensive orchards demonstration pilots (Hectare(Ha), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2,700.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Land area of demonstration pilots for intensive orchards supported by the project			

2. Supporting investments in high-value horticulture value chains



▶ Farmers participating in horticulture value chains through cooperatives and productive partnerships (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	150.00	650.00	3,000.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Farmers are the members of the farm cooperatives and the productive partnerships established under the project			
□ Percent of women farmers participating in value chain projects (Number, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	7.00	10.00
▶ Productive partnerships established under the project (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	34.00	27.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Productive partnerships is the partnership between agro-enterprise, borrowing under the credit line window, and farmers or farm cooperatives, with formal contractual relationships.			
▶ Beneficiaries, who report that participatory processes in farm cooperatives and productive partnerships are effective (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	75.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Beneficiaries include farmers, who are the members of farm cooperatives and productive partnerships with agri-enterprises. Citizen engagement: The reporting on this CE indicator will start in about a year (in 2023) when beneficiaries can share their experiences. The credit line will accelerate in 2022, participating in which will be members of farm cooperation and productive partnerships.			
▶ Non-performing loans in total outstanding credit to the project beneficiaries (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	5.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Non-performing loan means any payments overdue for 90 days or more – both interest and principal. End target should be interpreted as "not more than 5%"			

### 3. Facilitating trade and marketing



► Share of horticulture produce that flows through agro-logistical centers supported by the project (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	30.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026
Comments:	Horticulture produce is calculated as a volume of horticulture production in regions where agro-logistical centers are established.			
► Beneficiaries reporting the use of market information system (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	10,000.00
Date	31-Mar-2020	07-Dec-2021	13-May-2022	30-Jun-2026

## Performance-Based Conditions

### Data on Financial Performance

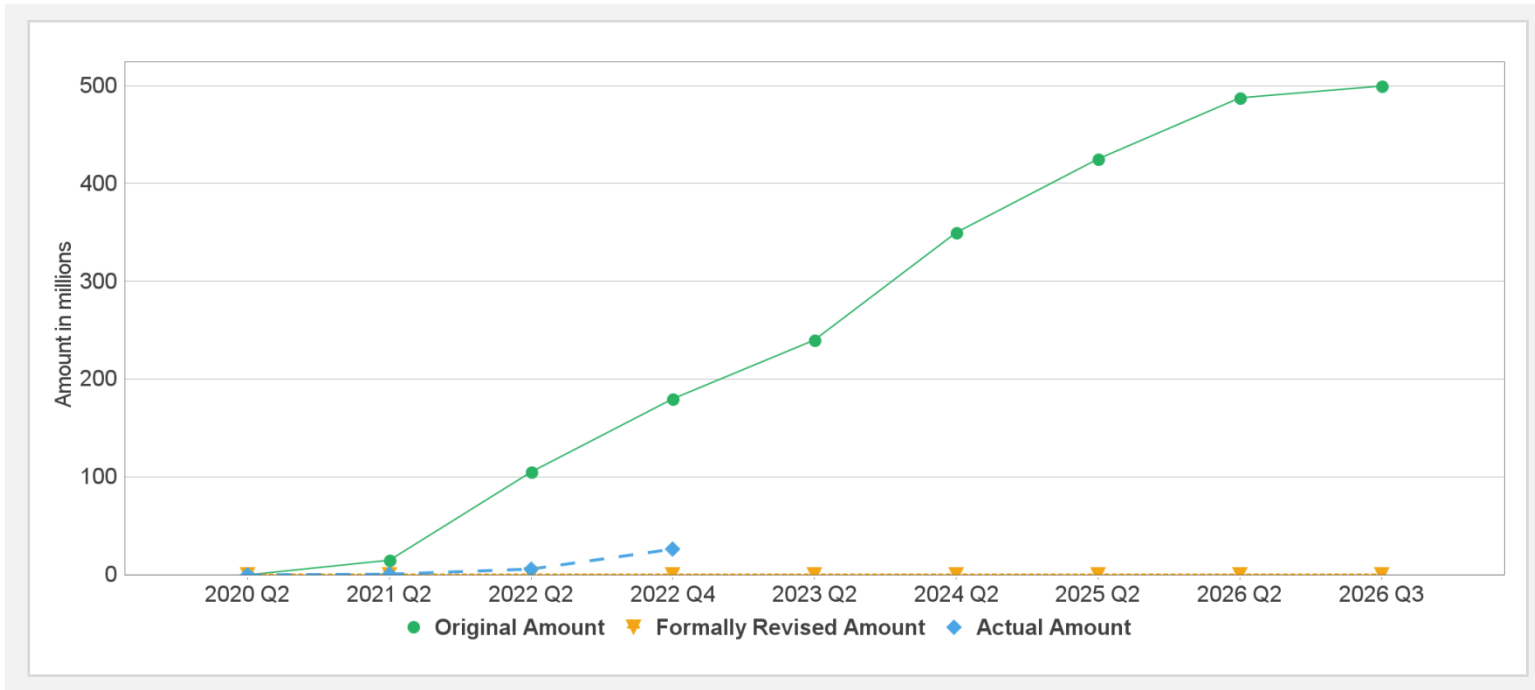
#### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P158372	IBRD-90520	Effective	USD	181.00	181.00	0.00	20.55	160.45	11%
P158372	IDA-65490	Effective	USD	219.00	219.00	0.00	4.59	214.41	2.1%
P158372	IDA-65500	Effective	USD	100.00	100.00	0.00	1.85	98.15	1.8%

#### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P158372	IBRD-90520	Effective	20-Mar-2020	11-Jul-2020	24-Aug-2020	30-Jun-2026	30-Jun-2026
P158372	IDA-65490	Effective	20-Mar-2020	11-Jul-2020	24-Aug-2020	30-Jun-2026	30-Jun-2026
P158372	IDA-65500	Effective	20-Mar-2020	11-Jul-2020	24-Aug-2020	30-Jun-2026	30-Jun-2026

## Cumulative Disbursements



### Restructuring History

There has been no restructuring to date.

### Related Project(s)

There are no related projects.