

<b>1. CAS/CPS Data</b>	
<b>Country: Uzbekistan</b>	
<b>CAS/CPS Year: FY12</b>	<b>CAS/CPS Period: FY12 – FY15</b>
<b>CASCR/CPSCR Review Period: FY12- FY15</b>	<b>Date of this review: June 2, 2016</b>

<b>2. Ratings</b>		
	<b>CLR Rating</b>	<b>IEG Rating</b>
<b>Development Outcome:</b>	<i>Moderately Satisfactory</i>	<i>Moderately Satisfactory</i>
<b>WBG Performance:</b>	<i>Good</i>	<i>Good</i>

<b>3. Executive Summary</b>
<p>i. Uzbekistan is a lower middle-income and resource rich country strategically located in the heart of Central Asia. Leading up to the CPS period, Uzbekistan was enjoying robust growth which was driven largely by capital with declining contribution of total factor productivity. Uzbekistan faced several economic challenges: high energy consumption per unit of GDP, weak financial intermediation, dependence on the commodity sector, and large role of state owned enterprises in the economy. Poverty had been falling due to economic growth and government investments; however, the elasticity of poverty reduction to GDP growth had been relatively low due in part to low productivity in agriculture, which employed a third of the population, and regional disparities. Social services in Uzbekistan had been well maintained, though Uzbekistan's ranking in UNDP's Human Development Index was below the average for the ECA region. While public administration had undergone important reforms, public accountability remained weak.</p> <p>ii. The objective of the authorities is for Uzbekistan to attain upper middle-income status by 2030. This would require transforming the economy into one that is market oriented, competitive, and diversified. The Government's development strategy at the beginning of the CPS period had four priorities: (a) increasing the efficiency of infrastructure; (b) enhancing the competitiveness of specific industries; (c) diversifying the economy and reducing reliance on commodity exports; and (d) improving quality of and access to education, health and social services. The CPS was structured along the lines of the Government priorities, and added governance as a cross-cutting theme. The CPS followed a two-tiered approach depending on the extent of agreement with the authorities on the nature and direction of reforms: (a) full engagement (lending and AAA) in areas where there was broad agreement; and (b) limited engagement (mainly AAA and dialogue) in areas where views differed. There was full engagement in the infrastructure and social services sectors, but limited engagement in the competitiveness and diversification thematic areas. In the governance area, the WBG and the authorities agreed to focus on improving public financial management.</p> <p>iii. In the infrastructure sector, the CPS addressed energy supply reliability, energy efficiency of large enterprises, and water resources management. To improve reliability of energy supply, a Bank supported electricity transmission project would reduce the number of outage hours in South West Uzbekistan by half, though results have not yet been reported in the latest ISR. WBG interventions</p>

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<b>Albert Martinez and Surajit Goswami, Consultants, IEGHE</b>	<b>Jorge Garcia-Garcia Consultant, IEGEC</b>	<b>Mark Sundberg Manager, IEGEC</b>
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have already achieved results in energy efficiency by supporting energy saving investments in large industrial enterprises – the initial program was scaled up through Additional Financing. WBG support for improved water resource management have resulted in increased areas with adequate irrigation and water supply and reduced water salinity, but institutional issues were not adequately addressed.

iv. In the area of competitiveness, the CPS focused on improving data transparency and quality, and improving the business environment. There has been little progress in data transparency, with several core macro variables continuing to be unavailable to the public. There was no improvement in the CPIA rating for Transparency, Accountability, and Corruption during the CPS period. With respect to business environment reforms, the WBG supported Government initiatives in the areas of starting/registering a business, registering property, and credit bureau coverage. These reforms resulted in a significant improvement in the ease of doing business ranking of Uzbekistan from 164 in 2011 to 87 (out of 189 economies) in 2015. IFC investments in the financial sector contributed to the increase in MSME lending.

v. In the area of diversification, the CPS had a narrow objective – increased investment in human and physical capital in the agricultural sector. The water resource management projects in the infrastructure sector contributed to the CPS objective. In addition, the Bank supported the Horticulture Project to help the sector diversify away from cotton production, though results from this operation will not materialize until the next CPS period. The CPS achieved its targets in terms of number of farms receiving credit lines and number of farmers receiving training.

vi. In the area of improving access to social services, the CPS sought to improve quality of primary education and health services, and increase access to sanitation services. While the Bank projects in this area were relevant, the results were mixed. The ICRR rated the education project moderately unsatisfactory in terms of outcome. The latest ISR for the health project rated progress towards achievement of PDO as moderately unsatisfactory. However, there have been results in the access to sanitation services, with number of household connections to the public sewer system in Bukhara and Samarkand at 65 percent of CPS target.

vii. In the area of governance, the WBG used AAA and Advisory Services to support improved public financial management. The Bank completed the Public Expenditure and Financial Accountability Assessment and IFC supported the implementation of the Risk Based Audit System for taxpayers. The Public Procurement Strategy and the Public Procurement Law are in advanced stages of preparation and are expected to be completed during the next CPS period.

viii. This review rates WBG performance as good. The two-tiered strategy enabled the WBG to provide full support in the areas where WBG and Government views converged, and to provide technical assistance and maintain dialogue in areas where perspectives differed. The WBG interventions were generally selective and relevant, with many projects implemented in regions with higher poverty levels compared to the rest of the country. Bank AAA underpinned the design of new infrastructure projects, and provided a mechanism for dialogue on strategic issues, such as the development of Uzbekistan Vision 2030. There was an increase of trust-funded projects and an effective use of additional financing to scale up existing operations. To address the issue of forced child and adult labor practices during the cotton harvest period, the Bank and the International Labor Organization (ILO) signed a Memorandum of Understanding for ILO to carry out third party monitoring of both child and forced labor in Bank projects starting 2015 for an initial period of two years. To address effectiveness delays, the Bank signed in January 2014 a memorandum of understanding with the Government aimed at improving government procedures. However, the CPS results framework was weak, with many indicators that were project outputs rather than higher level CPS outcomes. The results chain was not well articulated, especially in the areas of limited engagement where the effectiveness of Bank interventions was dependent on progress in other reforms. Finally, the CLR could have provided more information on the areas where there continue to be differences in views between the Government and the WBG, and to what extent the two-tiered strategy was able to change government thinking on critical issues in the areas of competitiveness and diversification.



ix. This review generally agrees with the CLR findings and lessons, and provides additional lessons for consideration in the next strategy. First, the efficacy of CPS reforms in the areas of competitiveness and diversification is constrained by lack of fundamental reforms, which may need to be addressed in the next CPS. Second, addressing institutional issues in water resource management is critical to sustainability of project objectives. Third, appropriate use of the additional financing instrument enables scaling up of project impact. Finally, a well-articulated results chain would help establish links between WBG interventions and outcomes.

#### **4. Strategic Focus**

##### **Overview of CAS/CPS Relevance:**

Relevance of the WBG Strategy:

##### **Congruence with Country Context and Country Program:**

1. The CPS addressed several of the challenges faced by Uzbekistan in its economic transformation: energy inefficiency, low productivity of agriculture, dependence on the cotton sector, weak financial intermediation, and encouragement of private sector entry. The Government had a medium-term growth and development strategy embodied in the Industrial Modernization and Infrastructure Development Program (2011-2015) with the following priorities: increasing efficiency of infrastructure, enhancing competitiveness of targeted strategic industries, diversifying the economy, and improving access to and quality of social services. The WBG strategy would provide full engagement (lending and AAA) in areas where there was convergence of views on reforms, specifically in addressing inefficiencies in energy and infrastructure and improving access to social services. However, WBG engagement would be limited (focusing on AAA and Advisory Services with selected lending) in areas where views differed, i.e., competitiveness and diversification where structural distortions inherent in a gradualist, state-led development model and strategy would have to be addressed. The Bank strategy in the competitiveness and diversification areas was too narrowly focused on improving certain aspects of the business environment and supporting horticulture as a means of diversification in agriculture. The CPS added governance as a cross-cutting thematic area, focusing on improving the public financial management system. The WBG strategy remained the same throughout the CPS period.

##### **Relevance of Design:**

2. *In the areas of full engagement*, the program was designed to contribute in a significant way to the CPS objectives and country development goals. In the energy and infrastructure sectors, major ESW underpinned Bank operations that would contribute to improving energy and infrastructure efficiency and agricultural productivity. Furthermore, many of the Bank operations in infrastructure would target regions with higher poverty levels. In the social services area, the Bank would scale up ongoing Bank interventions in health services and basic education to improve quality, and implement projects to increase access to sanitation services. *In the areas of limited engagement*, the WBG program was designed to support business regulatory reforms, improvements in financial infrastructure, and development of horticulture where there was convergence of views between the Bank and the Government. While the program did not address many of the broader structural and policy issues, it enabled engagement and dialogue on strategic issues, notably through the support to the development of the Uzbekistan Vision 2030. *In the area of governance*, the WBG used AAA and Advisory Services to support improvement of public financial management, mainly in the area of public procurement. The IFC interventions were designed to complement Bank activities. IFC lending through a commercial bank improved SME access to finance, particularly in the agriculture sector, and IFC advisory work supported improvements in the financial infrastructure. However, many IFC interventions mentioned in the CLR were dropped or put on hold. Overall, the design of the CPS



interventions was relevant: the interventions in energy, infrastructure and social services would contribute in a significant way to the country development goals, the engagement in the competitiveness and diversification areas would have limited goals but would enable dialogue on the design of broader reforms, and support to governance would focus on public financial management.

Selectivity:

3. While the overall program covered five thematic areas, the Bank concentrated its lending resources in one – improving energy, infrastructure and water resource management. About 85 percent of new lending went to energy and infrastructure (including water and sanitation) sectors with ESW identifying priority issues and recommending appropriate policies. Many of the projects in these sectors targeted lagging regions with higher levels of poverty. In the other four thematic areas, there is evidence of selectivity. In social services, the focus was on expanding ongoing initiatives, rather than embarking on new ones, in basic education and quality of health care by utilizing trust funds and additional financing. In competitiveness, WBG utilized AAA and Advisory Services to achieve results in two areas where WBG had expertise and where there was agreement with the Government on reforms: (i) reduction of cost of doing business in selected Doing Business areas; and (ii) improvement in the financial infrastructure. In addition, the Bank used AAA to support the development of Uzbekistan Vision 2030, an important strategic document, as well as to provide the platform for engagement on major policy and structural issues. In diversification, the focus was supporting higher value agricultural production and agri-business by expanding an existing rural enterprise project using Additional Financing and by approving a new horticulture project which could provide demonstration effects. In governance, the focus was on public financial management, where the Public Expenditure and Financial Accountability assessment was followed-up by technical assistance in two areas: public procurement and internal audit and control of the Ministry of Finance.

Alignment:

4. When the CPS was approved, the WBG had not yet adopted the twin goals of reducing extreme poverty reduction and increasing shared prosperity. Nonetheless, the program addressed issues that dealt with aspects of poverty reduction and shared prosperity – at least six of the ten objectives contributed to the improvement of living conditions of poor people. The program focused on growth and improved access to social services, with many of the Bank operations that had a growth focus executed in lagging regions with higher levels of poverty.

## **5. Development Outcome**

Overview of Achievement by Objective:

### **Focus Area I: Improving Energy Infrastructure and Water Resource Management**

Objective #1: Improved energy sector reliability

5. This objective is aligned with the strategic themes of improving energy infrastructure and enhancing competitiveness. The main WBG interventions supporting this objective were two Bank lending operations and Bank ESW. The IFC investment in Uzelectroset mentioned in the CLR did not proceed to Board approval. The outcome indicators were: (i) reduction of outages in South West Uzbekistan from 92 to 48 hours per year; and (ii) adoption of strategic plan for the energy sector. The outcome indicators for Objective #1 were relevant and focused on South West Uzbekistan where the overloaded and aging power transmission system had been experiencing high losses and frequent and long outages. According to the latest ISR (March 2016) for the Talimarjan Transmission Project, the reduction in outages has not yet occurred, though progress towards achieving the PDO was rated satisfactory. In addition, the CLR did not report if the Government adopted a strategic plan for the sector. This review rates Objective #1 as Not Achieved.



Objective #2: Improved energy efficiency of the largest industrial enterprises

6. This objective responds to the issue of high energy use per unit of GDP (relative to countries in the ECA region) by addressing inefficiencies at the user level. Uzbekistan has one of the most energy-intensive industries worldwide due to outdated machinery and equipment. The main WBG interventions were the FY10 Energy Efficiency for Industrial Enterprises Project, Bank AAA and IFC advisory services. The CPS outcome indicator was attaining 20 percent energy savings in the industrial enterprises targeted by the Energy Efficiency for Industrial Enterprises Project. The CLR did not provide a baseline for this indicator nor did it provide specific actual results. The project supporting this CPS objective shows per the latest ISR (December 2015) for the project an increase in energy savings equivalent to 33 percent of the project's 2018 target, with progress towards achievement of PDO rated satisfactory. Using this as the benchmark for assessing progress of this objective, this review rates Objective #2 as Achieved.

Objective #3: Improved water resources management

7. Four Bank projects addressed water resource management issues. The CPS identified two outcomes (increased efficiency in water resources management and reduction in salinity) with four indicators: (i) increase in areas with adequate irrigation and water supply; (ii) the establishment of water consumer associations (WCA); (iii) reduction in water salinity; and (iv) reduction in highly saline lands. The CPS did not meet the target number of new WCAs established, but met the targets for the other indicators. – 86,750 hectares had improved irrigation and drainage services compared to the CPS target of 74,000, water salinity dropped by 130mg/l compared to the CPS target of 100mg/l, and there was a 55 percent reduction in highly saline lands (there was no CPS target for this indicator). IEG's review of the ICR for the Drainage, Irrigation & Wetlands Improvement Project – Phase 1 noted that the number of WCAs established was not a good indicator of improved efficiency of management of water resources or of improved institutional performance. This review rates Objective #3 as Mostly Achieved.

8. IEG rates the outcome of WBG support under Focus Area I as Moderately Satisfactory.

**Focus Area II: Enhance Competitiveness of the Economy**

Objective #4: Data transparency and data quality improved

9. Bank support towards achieving this objective was mainly through Macroeconomic Monitoring TA and CPIA-driven policy dialogue. The CPS outcome indicator was publication of key data on the Ministry of Finance's website, which was an output measure and did not take into account the quality and timeliness of data. The CLR reported improved data transparency, but did not specify which key data became publicly available during the CPS period. The CLR noted that some core macro variables (e.g. balance of payments statistics, monetary aggregates, employment data) were still publicly unavailable. In terms of CPIA Transparency, Accountability, and Corruption in the Public Sector, Uzbekistan had a rating of "2" (the highest is "6") throughout the CPS period. This review rates Objective #2 as Not Achieved given that several core macro variables are still publicly unavailable.

Objective #5: Improved business environment

10. Bank and IFC teams supported business environment reforms through AAA and Advisory Services covering property registration, construction permits, access to credit, business environment assessment, tourism opportunities, and SME competitiveness. IFC helped Uzbekistan adopt the law on sharing of credit information and create a credit bureau initially covering all banks and later expanded into leasing and microfinance. With the help of IFC, Uzbekistan launched an internet-based collateral registry in 2014, the first of its kind in the Former Soviet Union. There were six outcome indicators: number of procedures and elapsed time for starting/registering a business; number of procedures and elapsed time for registering property; credit bureau coverage; and increase in MSME portfolio of financial institutions supported by IFC. Between 2011 and 2015, there were reductions in the number of procedures for starting a business (from 10 days to 7 days, compared to the CPS target of 4 days) and number of days to register a business (from 15 days to 8.5 days), though the latter indicator missed



the CPS target (6 days). There was no change in the number of procedures for registering property, but the number of days to register property was reduced from 62 to 55, compared to the CPS target of 68 days. The percentage of adults covered by private credit bureau increased from 3.3 percent in 2011 to 17.8 percent in 2015, close to the CPS target of 20 percent. The increase in MSME loans by IFC client banks during 2011-2015 (from \$120 million to \$209 million) exceeded the CPS target (from \$120 million to \$180 million). Uzbekistan improved its overall ease of doing business ranking in the latest Doing Business report, from 164 in 2011 to 87 (out of 189 economies) in 2015. This review rates Objective #5 as Mostly Achieved.

11. IEG rates WBG support under Focus Area II as Moderately Unsatisfactory

### **Focus Area III: Diversification**

#### Objective #6: Increased investment in human and physical capital in the agriculture sector

12. There have been major changes in the agriculture sector, including the passage of land from cooperative use to a new class of private farmers who are no longer subject to government management. This objective would support increased productivity in the sector, as well as diversification of agriculture from cotton production towards higher value added services. Six Bank projects supported this objective. IFC built agri-lending capacity in one private bank that led to boosting of that bank's agri-lending portfolio. However, the loans to Agromir and International Bottles Tashkent Company, indicated in the CLR, did not materialize. The two CPS targets were met: number of farms benefitting from credit lines (456 actual versus CPS target of 400) and number of farmers receiving training (61,426 actual versus CPS target of 50,000) from the Rural Enterprise Support Project. While the targets were met, these are output indicators. It would have been more appropriate to use the project's outcome indicators that included percent of farmers and agro-businesses with improved access to financial services and increases in yield per hectare which show progress towards achieving objectives. On balance, this review rates Objective #6 as Achieved.

13. IEG rates WBG support under Focus Area III as Satisfactory.

### **Focus Area IV: Improving Access to Social Services**

#### Objective #7: Improved quality of education services in pilot schools in project area

14. Two Bank projects (of which one was funded by the Global Partnership for Education) and Bank AAA contributed this objective. The outcome indicators were better scores (by at least 3 percent) in standardized math and reading tests for grade 4 students in schools supported by the Second Basic Education Project when compared to those of students in non-project schools. Based on the Implementation Completion Report (ICR) for the Second Basic Education Project, project schools scored 3.6 percent higher than non-project schools in math, but only 0.6 percent higher in reading. The review rates Objective #7 as Partially Achieved.

#### Objective #8: Improved quality of health services

15. Three Bank projects supported this objective. The CPS outcome was improved quality of health services with the following indicators: number of rayon facilities refurbished with modern biomedical equipment; number of doctors receiving training under the 10-month General Practitioner (GP) program; and number of health personnel (with separate targets for doctors and nurses) at Primary Health Care facilities (PHCs) receiving training under continuous professional education. The target number of rayon facilities to be refurbished was met (157 actual compared to the CPS target of 50). For the other three indicators, the targets were to be achieved by 2018 (outside the CPS period), which is the expected completion date of the Health System Reform Project and its Additional Financing – the CPS did not have targets for the end of the CPS period. Based on information in the latest ISR (December 2015) for the Health System Reform Project, 1,770 doctors in urban and rural PHCs received 10-month GP training, compared to the 2018 target of 3,000. In addition, 7,406 doctors and 22,086 nurses have received training under the continuous professional education program, compared to the 2018 targets of 9,400 doctors and 85,500 nurses. The ISR rates implementation progress as



Unsatisfactory, with progress towards achievement of PDO rated Moderately Unsatisfactory. This review rates Objective #8 as Partially Achieved.

Objective #9: Increased access to sanitation services

16. Four Bank projects supported this objective. The main project supporting this objective was the Bukhara and Samarkand Sewerage Project. The CPS outcome target was 6,000 households in the project areas of Bukhara and Samarkand connected to the public sewer system. Based on the latest ISR (December 2015) for the Bukhara and Samarkand Sewerage Project, 3,844 new households were connected (or 65 percent of the CPS target). However, overall implementation progress of the project is rated Moderately Satisfactory due to delays in the completion of two large contracts and delayed effectiveness in Additional Financing. This review rates Objective #9 as Mostly Achieved.

17. IEG rates WBG support in Focus Area IV as Moderately Unsatisfactory.

**Focus Area V: Governance**

Objective #10: Improved framework for transparency and management of public finances

18. In support of this objective, the Bank and IFC provided AAA and Advisory Services to achieve two CPS outcomes: (i) development and adoption of Public Procurement Strategy and Public Procurement Law; and (ii) developed framework for internal control and audit of the Ministry of Finance. The CLR reports that both the Public Procurement Strategy and the Public Procurement Law are in advanced stages of preparation. The Bank completed the Public Expenditure and Financial Accountability Assessment in FY13, but the report was never disseminated and there is no report on the progress in developing a framework for internal control and audit in the Ministry of Finance. IFC provided advisory services to the government on the implementation of a Risk Based Audit System covering select risky taxpayers for inspection. The module for risk assessment of taxpayers in simplified tax regime is fully implemented, while the module covering taxpayers in general tax regime is being piloted. Nonetheless, given that both the Public Procurement Strategy and the Public Procurement Law have not been adopted and there is no approved framework for internal control and audit of the Ministry of Finance, this review rates Objective #10 Partially Achieved.

19. IEG rates WBG support in Focus Area V as Moderately Unsatisfactory.

Overall Assessment and Rating

20. IEG rates overall outcome of the Uzbekistan CPS as Moderately Satisfactory. Of the ten objectives, two are rated Achieved, three are rated Mostly Achieved, three are rated Partially Achieved, and two are rated Not Achieved. Bank interventions in energy were relevant and substantive with tangible progress in energy efficiency in industrial enterprises. However, results in improved energy sector reliability were not yet evident, though with the completion of the project, results are expected during the next CPS period. In the water resources sector, projects showed results in terms of increasing irrigated areas and reducing salinity, but did not adequately address institutional weaknesses. In the competitiveness and diversification thematic areas, there were improvements in the business environment and financial infrastructure, but progress in improving data transparency and quality has been slow. In the governance area, the AAA support towards improved public financial management has advanced the preparation of public procurement strategy and legislation, but the CPS targets have not been met.

Focus Areas and Objectives	CLR Ratings	IEG Ratings
<b>Focus Area I: Improving Energy Infrastructure and Water Resources Management</b>	<b>Satisfactory</b>	<b>Moderately Satisfactory</b>
Objective #1	Achieved	Not Achieved
Objective #2	Achieved	Achieved
Objective #3	Achieved	Mostly Achieved
<b>Focus Area II: Enhance Competitiveness of the Economy</b>	<b>Moderately Unsatisfactory</b>	<b>Moderately Unsatisfactory</b>



Objective #4	Partially Achieved	Not Achieved
Objective #5	Partially Achieved	Mostly Achieved
<b>Focus III: Diversification</b>	<b>Moderately Satisfactory</b>	<b>Satisfactory</b>
Objective # 6	Achieved	Achieved
<b>Focus Area IV: Improving Access to Social Services</b>	<b>Moderately Satisfactory</b>	<b>Moderately Unsatisfactory</b>
Objective #7	Achieved	Partially Achieved
Objective #8	Partially Achieved	Partially Achieved
Objective #9	Achieved	Mostly Achieved
<b>Focus Area V: Governance</b>	<b>Moderately Unsatisfactory</b>	<b>Moderately Unsatisfactory</b>
Objective #10	Partially Achieved	Partially Achieved

## 6. WBG Performance

### Lending and Investments

21. During the CPS period, 20 lending projects were active, of which 10 were ongoing at the beginning of the program. The active projects approved prior to the CPS period amounted to \$633 million, of which \$145 million was IDA and \$488 million was IBRD. During the CPS period, 10 new projects amounting to \$1,406 million were approved, compared to the proposed 15 projects in the CPS amounting to \$1,350 million, and the planned 11 projects in the CPSPR amounting to \$1,455 million. Two of the planned projects in the CPSPR are in the pipeline for FY16, while one unplanned project was approved in FY15. Of the 10 projects approved during the CPS period, seven projects representing about 85 percent of the new lending volumes during the CPS period were in energy and infrastructure; the other three new projects supported horticulture development, rural enterprise development, and health system improvement. All of the 10 projects approved during the CPS period were investment project financing (IPF), of which four utilized the additional financing instrument. There was an increase in the use of trust funds, which financed five new projects amounting to \$64 million during the CPS period, compared to one project amounting to \$2 million approved during the previous CPS period. These trust funded projects were in addition to those financed by IDA and IBRD.

22. Uzbekistan's portfolio performance during the CPS period was worse than those of ECA and Bank-wide. During the CPS period, the number of projects at risk averaged 36.7 percent of total, higher than ECA's (15.8 percent) and the Bank's (20.6 percent). The commitments at risk in Uzbekistan averaged 29.7 percent of total, higher than ECA's (12.6 percent) and the Bank's (20.3 percent). At 11.3 percent, the disbursement ratio of the Uzbekistan portfolio during the CPS period was lower than the comparable ratio for ECA (24.2 percent) and Bank-wide (21.0 percent). Of the three projects that exited during the CPS period, two were rated MU and one was rated MS by IEG.

23. There were seven IFC investment projects, with US\$16.1 million of net commitment with three financial sector clients, at the inception of the review period that were active during the review period. During the review period, IFC committed another US\$34.9 million through five new investments. These were also in the financial sector, but the portion of trade financing was about 72 percent of this commitment. Other than trade financing, IFC continues to lend successfully and make regular equity infusions to one private commercial bank.

24. The CLR made no comments on the IFC portfolio. However, declining global commodity prices remain among major external factors affecting Uzbek economic performance, due to possible lower remittances and declining demand from Russia. This has led to lower ratings of some of the IFC investments based on IFC internal documents.





25. MIGA issued a guarantee for US\$119.5 million to cover a non-shareholder loan to a company operating in the oil and gas sector. The MIGA guarantee would support further development of gas production infrastructure including a gas processing facility.

#### Analytic and Advisory Activities and Services

26. During the CPS period, the Bank delivered 31 AAA products of which 11 were ESW and 20 were TA. About 60 percent of the AAA products supported the competitiveness and diversification thematic areas – this is consistent with CPS plan to utilize AAA as a major instrument in areas where there was lack of convergence of views between WBG and the Government. Support to the development of the Uzbekistan Vision 2030, business climate reforms, improvement in the financial infrastructure were major activities in these two thematic areas. In energy and infrastructure, sector policy notes were prepared to complement lending operations. In education, a tertiary education ESW was prepared to support future initiatives. The Public Expenditure and Financial Accountability Assessment was a major ESW completed in FY12 in support of the public financial management strengthening, followed by TA to assist the Ministry of Finance in completing certain activities.

27. IFC had four advisory services projects approved before the review period for US\$2.9 million that were implemented during the review period. During the review period, IFC approved two new advisory services projects amounting to about US\$0.6 million. Of these six active projects, two were terminated, three have closed, and one is active. Of the three closed projects, two were for PPPs and were rated Unsuccessful by IFC. The other closed project, which was in the financial sector, has been validated by IEG and was rated Successful.

#### Results Framework

28. The CPS objectives were well aligned with the country development goals as articulated in the Government's development strategy. In two of the thematic areas – improving energy infrastructure and water resources management, and improving access to social services – WBG addressed critical issues identified in various ESW. The contributions of the WBG interventions to the objectives in these two thematic areas were clear, though projects in water resources management and health sector have done a better job of articulating the results chain than the CPS. In two of the thematic areas – enhance competitiveness in the economy and diversification – WBG did not address many critical issues due to the divergence of views between WBG and the Government. Hence, it is not clear whether the WBG interventions would achieve the higher level outcomes in competitiveness and diversification without broader policy, institutional, and structural reforms. In the governance area, the CPS focused on improving public financial management, with a major ESW identifying the critical areas supported by follow-up TA. There were two main weaknesses in the results framework. First, outcome indicators were not well formulated or designed; many of CPS indicators were intermediate results indicators from specific projects, e.g. number of loans granted and number of participants trained by a project. Several of the projects had more appropriate outcome indicators than the CPS, e.g. increase in farm productivity in project areas and increased access to finance by farmers. Second, the results chain was not well articulated - there has been little discussion of the scaling up from individual project results to sector and country level outcomes. A better articulation of the results chain would help in the formulation of CPS outcome indicators, and place in context the contribution of WBG interventions.

#### Partnerships and Development Partner Coordination

29. There are a number of development partners operating in Uzbekistan mainly providing technical assistance. Among multilateral institutions, WB and ADB accounted for about 65 percent of total disbursements during 2012-2014. Except for the United Nations Country Team coordinated by UNDP, there is no formal donor-government coordinating body or framework. In specific areas such as water, energy, and agriculture, the Bank teams coordinate with appropriate development partners. In AAA,



WBG works with UNDP in supporting the development of Uzbekistan Vision 2030 and the development of the public procurement strategy and legislation.

#### Safeguards and Fiduciary Issues

30. The Uzbekistan portfolio included one category “A” project and two category “C” projects closed during the review period. The category “A” project - Drainage, Irrigation and Wetlands Improvement Project Phase I - triggered multiple safeguard policies. While the ICR did not report safeguard violations, it did not assert compliance. The two category “C” projects – one in health and other in education – were implemented using Bank guidelines and did not trigger any safeguard policies.

31. In 2013, the Inspection Panel received a complaint against the Second Rural Enterprise Support Project and its Additional Financing, raising concerns on issues involving child labor and forced labor practices during the cotton harvest period. In its final report in December 2014, the Panel noted several commitments made by the Bank management to encourage the Government to address the issue of forced child and adult labor. It also noted that although one of Management’s earlier proposed actions on third party monitoring (TPM) of child and forced labor did not materialize, the Bank and the International Labor Organization (ILO) signed a Memorandum of Understanding for ILO to carry out the TPM of both child and forced labor in Bank projects starting 2015 for an initial period of two years. The Panel noted the clear trajectory and specific medium-term efforts established to support the diversification and modernization of the cotton sector so that child and forced labor can be eradicated. The Panel did not recommend an investigation and noted that this recommendation did not in any way preclude the possibility of a future Request for Inspection based on new evidence or circumstances.

32. Between FY12-15, INT reviewed eleven serious complaints in Uzbekistan, of which three were eventually substantiated through investigation – one in the health sector and two in the water supply and sanitation sector. In the Health 2 Project, INT found allegations of corrupt and fraudulent practices by a foreign firm and its local representative. In the Syrdarya Water Supply Project and the Burkharra Samarkand Sewerage Project, there were fraudulent claims and submission of false documents by bidders. There are two active INT cases, one in the health sector and one in the water supply and sanitation sector. While the health sector cases do not necessarily reflect badly on country systems or project management, the water supply and sanitation cases may indicate serious vulnerabilities in procurement in the same government entity.

#### Ownership and Flexibility

33. The CPS design took into account the Government’s priorities and feedback from local/regional officials, private sector, and civil society. The consultations validated the overall goal of growth with equity, the strategic objectives, and the need to address regional disparities. The private sector emphasized the competitiveness and diversification agenda, while civil society focused on the infrastructure, social services, and governance agenda. While there were differences in views with respect to how to achieve the strategic objectives, the CPS found agreement on specific initiatives that would contribute to the competitiveness, diversification and governance agenda. In the course of CPS implementation, the Bank utilized AAA as an important instrument in identifying policy issues, developing road maps, underpinning the design of several projects in the infrastructure and social sectors, and providing technical support in the governance area. While there continue to be differences in views as to how to achieve the competitiveness and diversification objectives, the Banks continues to utilize AAA to engage in dialogue, notably in the preparation of the Uzbekistan Vision 2030.

#### WBG Internal Cooperation

34. The CPS and the CPSPR were joint products of WB, IFC, and MIGA. The CPS identified areas where IFC and MIGA projects would complement Bank activities, notably in the infrastructure,



competitiveness and diversification themes. In the area of financial infrastructure and investment climate, IFC has taken an active role including joint work with the Bank. IFC's projects, both investment as well as advisory, were incorporated in the CPS and CPSPR results framework. The WB and IFC jointly produced the Tourism Development Note and collaborated in the Bank-led report Enhancing SMEs' Productivity and Competitiveness in Uzbekistan.

#### Risk Identification and Mitigation

35. The CPS identified the main risks to the program which were addressed with mitigating measures. Insufficient political commitment to advance further economic reforms was identified as the main risk to CPS implementation – this risk was appropriately mitigated by utilizing AAA to ensure buy-in into policies and road-maps that would underpin lending operations in the infrastructure and social areas. In areas where there was unclear government commitment to reforms, the strategy was to utilize AAA as the main instrument for dialogue with limited lending operations. Fiduciary and governance risks to proper implementation and use of Bank resources were addressed by AAA and the country portfolio review process. The risks from lack of reliable economic and social data are being addressed in partnership with other development partners, in particular the IMF. Finally, regional risks are being mitigated by Bank regional projects, especially in the areas of energy and water.

#### Overall Assessment and Rating

36. IEG rates WBG performance as good. *Design.* The CPS was well designed, and the use of the two-tier approach enabled sustaining and deepening WBG engagement in areas where its views converged with the Government's, and maintaining dialogue and technical support in areas where views differed. There was an appropriate mix of interventions, with AAA underpinning major operations and IFC projects complementing WB activities. The critical risks to the program were identified with appropriate mitigation measures proposed. Lessons from the previous CPS and feedback from stakeholder consultations were taken into account in the design. However, the results framework was poorly constructed – the results chain was poorly articulated and the outcome indicators did not reflect sector or country level outcomes resulting in lack of clarity with respect to the links between project results and CPS objectives. *Implementation.* WB delivered 10 loans with lending volumes close to CPS and CPSPR targets, mainly in infrastructure and social services where Bank and Government views converged. Additional Financing was used to scale up four existing projects, and AAA was used to underpin most of the new projects – for example, the Government adopted AAA recommendations in the transport and horticulture sectors paving the way for the two transport and one horticulture operations. There was an expansion in the use of trust funds, most of which went to support education and sustainable agriculture. IFC committed investments only in the financial sector. There was collaboration between WB and IFC in the production of some AAA, notably in the SME and competitiveness areas. To address the issue of forced child and adult labor practices during the cotton harvest period, the Bank and the International Labor Organization (ILO) signed a Memorandum of Understanding for ILO to carry out the TPM of both child and forced labor in Bank projects starting 2015 for an initial period of two years. To address effectiveness delays, the Bank signed in January 2014 a memorandum of understanding with the Government aimed at improving government procedures.

### **7. Assessment of CLR Completion Report**

37. The CLR provided a good description of the CPS thematic areas and supporting activities. However, the analysis of the contribution of project results to sector/country outcomes was inadequate. The CLR could have identified weaknesses in the results framework beyond the large number of outcome indicators. The links between AAA and lending operations were well presented, but the contribution of important AAA products was not assessed, e.g., whether support for Uzbekistan Vision 2030 helped bridge the gap between the Bank and Government on how to achieve



competitiveness and diversification. The CLR noted the strengthening of Bank engagement on social sustainability issues, and described how the Bank dealt with safeguard and fiduciary issues. The CLR also noted the continued lack of publicly available and reliable economic and social data, but did not assess why the results in this area have been modest. The IFC portion of the CLR focused on description of IFC activities with inadequate analysis of the limited scope of results from IFC investments in the country.

## **8. Findings and Lessons**

38. This review generally agrees with the findings and lessons in the CLR on alignment with Government objectives, need for more information and statistical data, misalignment of Government and Bank project preparation cycles, response to child and forced labor, benefits of social risk assessment, and large number of outcome indicators. This review provides the following additional lessons.

39. The efficacy of the CPS reforms in the areas of competitiveness and diversification is constrained by lack of fundamental reforms. The WBG-Uzbekistan Partnership Country Program Snapshot dated September 2015 noted that in the absence of some critical financial sector reforms, e.g., restrictions on cash and foreign exchange transactions and the practice of directed lending, CPS-supported measures such as improvements in credit information systems may not achieve the desired results, e.g., more efficient intermediation. The next CPS may have to address broader reforms to support private sector growth and economic diversification.

40. Addressing institutional issues in the water resource management is critical to the project's sustainability. The ICRR for the Drainage, Irrigation & Wetlands Improvement Project – Phase 1 noted systemic institutional system weaknesses which limited the ability of Water User Associations to manage water operations and maintenance.

41. Appropriate use of Additional Financing instrument enables the scaling up of project impact. The Bank program used AF to scale up four projects by building on existing project arrangements to expand coverage. This reduced preparation time and implementation risks.

42. A well-articulated results chain with well-defined outcomes would help link the project results with sector and country outcomes. The CPS results framework did not have higher level outcome indicators for competitiveness and diversification that would have enabled monitoring of contribution of WBG interventions.

- Annex Table 1: Summary of Achievements of CPS Objectives**
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- Annex Table 15: Economic and Social Indicators for Uzbekistan, FY12-15**

**Annex Table 1: Summary of Achievements of CPS Objectives**

	CPS FY12-FY15 – Focus Area 1: Improving Energy Infrastructure and Water Resources Management	Actual Results (as of current month/year)	IEG Comments
<u>Major Outcome Measures</u>	<b>1. CPS Objective: Improved energy sector reliability (Not Achieved)</b>		
	<p><b>Indicator:</b> (i) Number of outage hours per year in South West Uzbekistan; (ii) Government adoption of strategic plan for the energy sector</p> <p><b>Baseline:</b> (i) 92 hours; (ii) No</p> <p><b>Target:</b> (i) 48 hours; (ii) Yes</p>	<p>(i) As of November 2015, there had not been any reductions in number of outage hours per year in South West Uzbekistan (P119939 ISR Sequence 9).</p> <p>(ii) The CLR reports that the Bank provided support to the Government for the elaboration of a strategic plan for the energy sector. Support was provided through the following AAA tasks:</p> <ul style="list-style-type: none"> <li>- EE Strategy for Industrial Enterprises (P122464).</li> <li>- Note Regional Power Market Assessment (UAP-EST) (P122927).</li> <li>- Energy/Power Sector Issues (P127469).</li> </ul> <p>However, the CLR does not state that the Government adopted a strategic plan for the energy sector using the input from the Bank AAA tasks.</p>	<p>Source: CLR and P119939 ISR Sequence 9 (March 2016).</p> <p>The CPS proposed objective and indicators were revised at the CPSPR stage.</p> <p style="text-align: center;"><u>Lending</u></p> <p>Talimarjan Transmission Project (P119939) approved in FY11. Management assessment: S.</p> <p>Advanced Electricity Metering Project (P122773) approved in 2012. Management assessment: MU.</p>
	<b>2. CPS Objective: Improved energy efficiency of the largest industrial enterprises (Achieved)</b>		
<p><b>Indicator:</b> Megawatt-hours (MWh) of energy savings in the largest industrial enterprises owing to the introduction of energy efficiency measures</p> <p><b>Baseline:</b> Not provided</p> <p><b>Target:</b> 20% savings</p>	<p>The P118737 ISR Sequence 7 (December 2015) indicates that the baseline for energy savings was 27,000 MWh of electricity as of end-June 2012 with actual energy savings of 93,000 MWh as of end-September 2015. The ISR did not have as an indicator savings in MWh as percent of electricity consumption.</p>	<p>Source: CLR and P118737 ISR Sequence 7 (December 2015)</p> <p>The P118737 ISR Sequence 7 (December 2015) indicates that the baseline for energy savings was 27,000 MWh of electricity. Neither the CPS nor the CPSPR provided a baseline for the proposed indicator nor were they clear about the nature of the indicator, i.e., whether the indicator was an increase in energy savings in units (e.g. MWh, cubic meters of gas or dollars) or as percent of consumption. Since there was no measure of savings as percent of consumption, this review used the increase</p>	

		<p>in energy savings in MWh as the indicator and found the increase to be significant to warrant a rating of achieved. The ISR rated progress towards achievement of PDO as satisfactory.</p> <p style="text-align: center;"><u>Lending</u></p> <p>Energy Efficiency Facility for Industrial Enterprises Project (P118737) approved in FY10 and Additional Financing for the Energy Efficiency Industrial Enterprises Project (P133633) approved in FY13. Management assessment: S.</p>
<b>3. CPS Objective: Improved water resources management (Mostly Achieved)</b>		
<p style="text-align: center;"><u>Efficiency</u></p> <p><b>Indicator:</b> Increased efficiency of water resources management as measured by number of hectares of irrigated areas with adequate irrigation water supply</p> <p><b>Baseline:</b> 40,000 ha (2012)</p> <p><b>Target:</b> 74,000 ha (2015)</p>	<p>The ICRR for the Drainage, Irrigation &amp; Wetland Improvement Project (P009127) reported 85,000 hectares provided with irrigation and drainage services at end-June 2013 from a baseline of 65,000 hectares in 2003. The latest ISR (December 2015) for the Rural Enterprise Support Project Phase II (P109126) reported 86,750 hectares with improved irrigation and drainage services at end-May 2015 compared a baseline of 0 hectares in 2009.</p>	<p style="text-align: right;">Source: CLR</p> <p>The indicator was revised at the CPSPR stage.</p> <p style="text-align: center;"><u>Lending</u></p> <p>Rural Enterprise Support Project Phase II (P109126) (approved FY08) and Additional Finance (P126962) (approved FY13). Management assessment: MS</p> <p>Ferghana Valley Water Resources Management Phase-I Project (P110538). Approved FY10. Management assessment: MS.</p> <p>Drainage, Irrigation &amp; Wetlands Improvement Project - Phase 1 (P009127). Approved FY13. IEG: MU</p> <p>South Karakalpakstan Water Resources Management Improvement (P127764). Approved FY14. Management assessment: MU.</p> <p>This review used the P109126 ISR (December 2015) of the Rural Enterprise Support Project Phase II as the basis for rating the target under this indicator as achieved.</p>



<p style="text-align: center;"><u>Efficiency</u></p> <p><b>Indicator:</b> Increased efficiency of management of irrigation water resources in sector project areas, as measured by the number of Water Users Associations (WUAs) established</p> <p><b>Baseline:</b> 62 (2012)</p> <p><b>Target:</b> 100 (2015)</p>	<p>The CLR reports that 65 Water Consumer Associations (WCA) in seven project districts were provided technical and financial support (starting from conducting an inventory, development of annual work plans and trainings on strengthening the capacity of WCAs). This was found as the best practice and replicated nation-wide.</p> <p>However, the ICRR for the Drainage, Irrigation and Wetlands Improvement Project (P009127) reported only 27 new WUAs established as of end-June 2013.</p>	<p>Source: CLR and ICRR Drainage &amp; Wetlands Improvement Project Phase I (P009127)</p> <p>The indicator was introduced at the CPSPR stage.</p> <p>Based on the ICRR for the Drainage &amp; Wetlands Improvement Project Phase I, the target was not achieved. The latest ISRs for other projects with water components – Rural Enterprise Support Project Phase 2, Ferghana Valley Water Resources Management Project, and South Karakalpakstan Water Resource Management Project – did not have establishment of new WUAs as an indicator.</p>
<p style="text-align: center;"><u>Salinity</u></p> <p><b>Indicator:</b> Decrease in the (i) water salinity and reduction of (ii) highly saline lands by more than 100mg/l using a three-year average comparing the period (2005-2007) and the period (2010-2012)</p> <p><b>Baseline:</b> (i) Not provided; (ii) Not provided</p> <p><b>Target:</b> (i) &lt; baseline; (ii) more than 100mg/l decrease</p>	<p style="text-align: center;"><u>(i) Water Salinity</u></p> <p>Water salinity has dropped using a three-year average comparing the period (2005-2007) and the period (2010-2012) by 130mg/l (0.13g/l) (ICCR P009127).</p> <p style="text-align: center;"><u>(ii) Highly Saline Lands</u></p> <p>The CLR does not report on this indicator. The ICCR P009127 reports an increase of 35% in non- and slightly saline lands and a reduction of 55% in highly saline lands.</p>	<p>Source: ICRR (P009127) for the Drainage, Irrigation &amp; Wetlands Project – Phase I.</p> <p>The indicators were introduced at the CPSPR stage. Baselines were not provided.</p> <p style="text-align: center;"><u>Lending</u></p> <p>Drainage, Irrigation &amp; Wetlands Improvement Project - Phase 1 (P009127). Approved FY13. IEG: MU</p> <p>The ICRR for the Drainage, Irrigation &amp; Wetlands Project Phase I (P009127) rated the outcome of the objective on water salinity and enhancement of quality of wetlands as satisfactory. On this basis, this review rates the targets for salinity as achieved.</p>



	CPS FY12-FY15 – Focus Area 2: Enhance Competitiveness of the Economy	Actual Results (as of current month/year)	IEG Comments
<b>Major Outcome Measures</b>	<b>4. CPS Objective: Data transparency and quality improved (Not Achieved)</b> <u>Transparency</u> <b>Indicator:</b> Key budget data published on the Ministry of Finance's website  <b>Baseline:</b> No (2012)  <b>Target:</b> Yes (2015)	<p>The CLR reports that the Government has improved data transparency but does not state which key budget data became publicly available during the CPS period. Some core macro variables are still publicly unavailable (e.g. balance of payment statistics, demand and supply breakdown of GDP, monetary aggregates, employment data).</p> <p>The CLR notes that this objective was supported through two AAA tasks: (i) Country Policy and Institutional Assessment (CPIA) Policy Dialogue (P117695) (FY12); and (ii) Macroeconomic Monitoring TA - FY13 Project.</p>	<p>Source: CLR</p> <p>There were no indicators to measure the quality dimension of the objective. Indicators to measure quality were proposed at the CPS stage. However, they were dropped at the CPSPR.</p> <p>The target is rated not achieved since several core macro variables are still not publicly available. In addition, it is not clear which key budget data were published on the Ministry of Finance's website.</p>
	<b>5. CPS Objective: Improved business environment (Mostly Achieved)</b> <u>Starting a Business</u> <b>Indicator:</b> (i) Number of procedures to start a business; (ii) Number of days to register business  <b>Baseline:</b> (i) 6 (2011); (ii) 14 (2011)  <b>Target:</b> (i) 4 (2015); 6 (2015)	<p>(i) According to the Doing Business website, the number of procedures for starting a business decreased from 10 in 2011 to 7 in 2015.</p> <p>(ii) According to the Doing Business website, the number of days to register a business decreased from 15 in 2011 to 8.5 in 2015.</p>	<p>Source: <a href="#">Doing Business Website</a></p> <p>World Bank and IFC teams worked jointly on five AAA products: Improving the Construction Permitting System (FY12), Improving Access to Credit (FY12), Property Registration (FY12), Business Environment Assessment (FY13), Transforming Tourism Opportunities (FY13) and Enhancing SME Competitiveness (FY13).</p> <p>The actual reduction in number of procedures was 3 days compared to the target of 2 days; the actual reduction in number of days to register a business was 6.5 days compared to the target of 8 days. Based on the progress in reduction in number days, the targets are mostly achieved.</p>

	CPS FY12-FY15 – Focus Area 2: Enhance Competitiveness of the Economy	Actual Results (as of current month/year)	IEG Comments
	<p><u>Registering Property</u> <b>Indicator:</b> (i) Number of procedures for registering property; (ii) Number of days to register property</p> <p><b>Baseline:</b> (i) 14 (2011); (ii) 77 (2011)</p> <p><b>Target:</b> (i) 10 (2015); 68 (2015)</p>	<p>(i) According to the Doing Business website, the number of procedures for registering property remained unchanged between 2011 and 2015 at 12.</p> <p>(ii) According to the Doing Business website, the number of days to register property decreased from 62 in 2011 to 55 in 2015.</p>	<p>Source: <u>Doing Business Website</u></p> <p>World Bank and IFC teams worked jointly on five AAA products: Improving the Construction Permitting System (FY12), Improving Access to Credit (FY12), Property Registration (FY12), Business Environment Assessment (FY13), Transforming Tourism Opportunities (FY13) and Enhancing SME Competitiveness (FY13).</p> <p>The registering property component is rated partially achieved. While the target for reducing the number of days for registering property was met, there was no change in the number of procedures.</p>
	<p><u>Getting Credit</u> <b>Indicator:</b> (i) Percentage of adults covered by private bureau; (ii) Volume of outstanding loans to MSMEs in the portfolio of financial intermediaries supported by IFC</p> <p><b>Baseline:</b> (i) 3.6% (2011); (ii) US\$120 million (2010)</p> <p><b>Target:</b> (i) 20% (2015); (ii) US\$180 million (2015)</p>	<p>(i) According to the Doing Business website, the percentage of adults covered by private bureau increased from 3.3% in 2011 to 17.8% in 2015.</p> <p>(ii) The CLR reports that between FY12 and FY15 YTD total IFC's commitment was \$38.5 million (trade finance and SME loans through local banks and equity investment to local bank). The volume of MSME loans provided by IFC client banks increased by about 40% from US\$120 million at the end of CY2010 to US\$209 million at the end of CY2013, reaching nearly 10,300 MSMEs.</p>	<p>Source: CLR and <u>Doing Business Website</u></p> <p>World Bank and IFC teams worked jointly on five AAA products: Improving the Construction Permitting System (FY12), Improving Access to Credit (FY12), Property Registration (FY12), Business Environment Assessment (FY13), Transforming Tourism Opportunities (FY13) and Enhancing SME Competitiveness (FY13).</p> <p>The getting credit component is rated achieved since the targets were substantially met or exceeded.</p>
	CPS FY12-FY15 – Focus Area 3: Diversification	Actual Results (as of current month/year)	IEG Comments
<u>Major Outcome Measures</u>	<b>6. CPS Objective: Increased investment in human and physical capital in the agriculture sector (Achieved)</b>		
	<p><b>Indicator:</b> (i) Number of farms and agribusinesses benefitting from credit lines; (ii) Number of farmers / agribusiness owners participating in training and seminars</p>	<p>(i) Progress towards this target was supported via the Rural Enterprise Support Project Phase II (P109126) approved in FY08. The ISR (December 2015) for this project reported 456 sub-loans as of</p>	<p>Source: CLR and P109126 ISR Sequence 12 (December 2014), 13 (June 2015), and 14 (December 2015)</p> <p>The original CPS Objective was: "Increased investment and employment in the agriculture sector". At the CPSP</p>

	CPS FY12-FY15 – Focus Area 3: Diversification	Actual Results (as of current month/year)	IEG Comments
	<p><b>Baseline:</b> (i) Not provided; (ii) Not provided</p> <p><b>Target:</b> (i) 400; (ii) 50,000</p>	<p>end-May 2015, including 94 sub-loans from the Additional Financing.</p> <p>(ii) The ISR (P109126) also reported that the training component of the project benefited 61,426 farmers of which about 15% were female.</p>	<p>stage, the objective was reformulated and the “employment” dimension was dropped.</p> <p>Based on the figures from the latest ISR for the Rural Enterprise Support Project (P109126), the targets have been met.</p> <p><u>Lending</u> Rural Enterprise Support Project Phase II (P109126) (approved FY08) and Additional Finance (P126962) (approved FY13). Management assessment: MS</p> <p>Sustainable Agriculture and Climate change Mitigation Project (GEF) (P127486). Approved FY14. Management assessment: MS. This GEF-financed project supports investments in renewable energy and energy efficiency for credit line beneficiaries of the Rural Enterprise Support Project Phase II (P109126).</p> <p>Horticulture Development Project (P133703). Approved FY14. Management assessment: MS. The CPS results framework had one indicator that was related to this intervention. The indicator was dropped at the CPSPR stage.</p> <p>Ferghana Valley Water Resources Management Phase-I Project (P110538). Approved FY10. Management assessment: MS. This project includes training components.</p> <p>South Karakalpakstan Water Resources Management Improvement (P127764). Approved FY14. Management assessment: MU. This project includes a training component.</p>

	CPS FY12-FY15 – Focus Area 3: Diversification	Actual Results (as of current month/year)	IEG Comments
			Drainage, Irrigation & Wetlands Improvement Project - Phase 1 (P009127). Approved FY13. IEG: MU. This project has training components.

	CPS FY12-FY15 – Focus Area 4: Improving Access to Social Services	Actual Results (as of current month/year)	IEG Comments
<b>Major Outcome Measures</b>	<b>7. CPS Objective: Improved quality of education services (Partially Achieved)</b>		
	<p><b>Indicator:</b> National student assessment scores in project schools are three percent higher than those in non-project schools</p> <p><b>Baseline:</b> No (2012)</p> <p><b>Target:</b> Yes (2015)</p>	<p><u>Math Scores</u> Standardized math test scores for Grade 4 students in project schools increased from 478 in 2009 to 514 in 2014. This compares favorably to scores for students in non-project schools, which increased from 487 to 496. The score in project schools is 3.6% higher than in non-project schools (i.e. results are above the 3% target).</p> <p><u>Reading Scores</u> Standardized reading test scores for Grade 4 students in project schools were 485 in 2009 and 482 in 2014. Although this represents essentially no change, students in non-project schools experienced a decrease from 511 to 485. The score in project schools is 0.6% higher than in non-project schools (i.e. results are below 3% target).</p>	<p>Source: CLR and ICRR Second Basic Education (P107845)</p> <p>The CPS Objective was reformulated at the CPSPR stage (the original objective had been formulated in terms of access and the reformulation changed it to quality). Likewise, the indicator was revised, consolidated and made more outcome oriented. However, the indicator was not specific (e.g. it did not specify in which grades the learning improvements were expected). In addition, the baseline and target values were not provided for this new indicator.</p> <p>This objective is rated partially achieved due to mixed results.</p> <p>Second Basic Education (P107845). Approved FY09. IEG: MU</p> <p>GPE Grant: Improving Pre-Primary Education and Secondary Education Project (P144856). Approved FY14. Management Assessment: S</p>
	<b>8. CPS Objective: Improved quality of health services (Partially Achieved)</b>		
	<p><u>Infrastructure</u> <b>Indicator:</b> Number of rayon level project health facilities refurbished with modern biomedical equipment</p>	<p>The CLR reports that that Bank support through the Second Health Project (P051370) and the Health System Improvement Project (P113349) and its additional Financing have delivered modern equipment</p>	<p>Source: CLR and ICRR P051370</p> <p>The CPS Objective was reformulated at the CPSPR stage (the original objective had been formulated in</p>

	CPS FY12-FY15 – Focus Area 4: Improving Access to Social Services	Actual Results (as of current month/year)	IEG Comments
	<p><b>Baseline:</b> 0 (2012)</p> <p><b>Target:</b> 50 (2015)</p>	<p>for 188 rural health facilities and 157 rayon medical unions. The ICRR for the Second Health Project (P051370) reports a higher number of health clinics constructed or rehabilitated (and the refurbishment of health clinics. 2,371 primary health clinics and 661 other facilities). The ICRR also reports that the project provided a complete package of medical and laboratory equipment for primary health clinics in 13 regions, in coordination with an ADB-financed project, and notes that, when combined with a previous Bank project, this covered virtually the entire country. These efforts led to an increase of the share of rural primary health clinics with electrocardiographs (from 97 percent in 2007 to 100 percent in 2011), autoclaves (from 44 percent to 97 percent), photoelectric colorimeters for laboratories (from 79 percent to 97 percent), and dry air sterilizers (69 percent to 83 percent). From a baseline of no dental equipment at local and regional clinics, 7.3 percent of local clinics and 100 percent of polyclinics were provided with dental equipment.</p>	<p>term of access and the reformulation changed it to quality). Two of the proposed indicators for measuring the CPS Objective were dropped at the CPSPR stage. The indicator was not specific and lacked a definition of what was implied with “refurbished”.</p> <p>Based on the ICRR for the Second Health Project, the CPS target has been met.</p> <p><u>Lending</u> Second Health Project (P051370). Approved FY05. IEG: MS</p> <p>Health System Improvement Project (P113349) approved FY11 and Additional Financing to Health System Improvement (P133187) approved in FY13. Management assessment: MU.</p>
	<p><u>Human resources</u> <b>Indicator:</b> Number of health personnel in urban and rural primary health care (PHC) facilities that received a 10-month general practitioner (GP) training</p> <p><b>Baseline:</b> 670</p> <p><b>Target:</b> 3000 (2018)</p>	<p>Bank support was provided via the Health System Improvement Project (P113349) approved FY11 and the Additional Financing to Health System Improvement (P133187) approved in FY13. Management assessment: MU. Based on the ISR P113349 (December 2015) for the Health System Improvement Project, 1,770 doctors of urban and rural PHC facilities had received a 10-month general practitioner (GP) training as of December 3, 2015.</p>	<p>Source: CLR and P113349 ISR Sequence 9 (December 2015) Health System Improvement Project.</p> <p>The CPS Objective was reformulated at the CPSPR stage (the original objective had been formulated in terms of access and the reformulation changed it to quality). This indicator was introduced at the CPSPR stage and its baseline lacked a date and the date proposed for the target was beyond the CPS period.</p> <p>The target is formulated as to be met by 2018 when the project is completed. This review rates the progress towards meeting the target as partially achieved given the MU rating in the ISR..</p>

	CPS FY12-FY15 – Focus Area 4: Improving Access to Social Services	Actual Results (as of current month/year)	IEG Comments
	<p><u>Human resources</u> <b>Indicator:</b> Number of (i) doctors and (ii) nurses at primary health care (PHC) facilities that received training under continuous professional education</p> <p><b>Baseline:</b> (i) Not provided; (ii) Not provided</p> <p><b>Target:</b> (i) 9,400 (2018); (ii) 85,500 (2018)</p>	<p>Bank support was provided via the Health System Improvement Project (P113349) approved FY11 and the Additional Financing to Health System Improvement (P133187) approved in FY13. Management assessment: MU. Based on the latest ISR (December 2015) for the Health System Improvement Project, 7,406 doctors and 22,086 nurses received training under the continuous professional education program.</p>	<p>Source: CLR and P113349 ISR Sequence 9 (December 2015) Health System Improvement Project.</p> <p>The CPS Objective was reformulated at the CPSPR stage (the original objective had been formulated in term of access and the reformulation changed it to quality). This indicator was introduced at the CPSPR stage and baseline was not provided and the date proposed for the targets were beyond the CPS period.</p> <p>The target is formulated as to be met by 2018 when the project is completed. This review rates the achievement of this component as partially achieved given the MU rating in the ISR.</p>
	<p><b>9. CPS Objective: Increased household access to sanitation services (Mostly Achieved)</b></p>		
	<p><b>Indicator:</b> Number of household in project areas of Bukhara and Samarkand with access to sanitation services</p> <p><b>Baseline:</b> 0</p> <p><b>Target:</b> 6,000</p>	<p>The main project supporting this objective is the Uzbekistan Bukhara and Samarkand Sewerage Project (P112719) approved in FY10 and the Additional Financing for Bukhara and Samarkand Sewerage Project (P152801) approved in FY15. Management assessment: S.</p> <p><u>Bukhara</u> As of December 2015, cumulative number of new households connected to the public sewer system in Bukhara was 1,170.</p> <p><u>Samarkand</u> As of December 2015, cumulative number of new households connected to the public sewer system in Samarkand was 2,674.</p>	<p>Source: CLR and P112719 ISR Sequence 10 (December 2015).</p> <p>The CPS Objective was revised at the CPSPR stage. The CPS Objective had a water supply dimension that was dropped from results framework and only the sanitation services dimension remained. The proposed indicator for the sanitation services dimension lacked dates for its baseline and target.</p> <p>As of December 2015, there were 3,844 new connections in the project areas of Bukhara and Samarkand. Since this is about 65% of the target, this component is rated as mostly achieved.</p> <p><u>Lending</u> Uzbekistan Bukhara and Samarkand Sewerage Project (P112719) approved in FY10 and the Additional Financing for Bukhara and Samarkand Sewerage</p>

	CPS FY12-FY15 – Focus Area 4: Improving Access to Social Services	Actual Results (as of current month/year)	IEG Comments
			<p>Project (P152801) approved in FY15. Management assessment: S.</p> <p>Syrdarya Water Supply Project (P111760). Approved FY11. Management assessment: MS.</p> <p>Alat and Karakul Water Supply Project (P118197). Approved FY13. Management assessment: MU.</p>

	CPS FY12-FY15 – Focus Area 5: Governance	Actual Results (as of current month/year)	IEG Comments
	<b>10. CPS Objective: Improved framework for transparency and management of public finances (Partially Achieved)</b>		
<b>Major Outcome Measures</b>	<p><b>Indicator:</b> Public Procurement Strategy and Public Procurement Law developed and adopted</p> <p><b>Baseline:</b> No (2012)</p> <p><b>Target:</b> Yes (2015)</p>	<p>The CLR reports ongoing non-lending assistance that started in FY16 (ECA PFM Grant – Improving the Public Procurement Outcomes TA). This technical assistance is supporting the drafting of a Public Procurement Law (PPL) and of a Public Procurement Strategy for years (2014-2014). The drafting is also being supported and conducted in close collaboration with the United Nations Development Program (UNDP).</p>	<p>Source: CPS, CPSPR and CLR.</p> <p>The CPS Objective was reformulated at the CPSPR stage. Likewise, the indicators were revised and consolidated.</p> <p>There is no evidence that the Public Procurement Strategy and Public Procurement Law had been developed and adopted. However, there is ongoing TA supporting the drafting of the strategy and law. On this basis, this target is rated partially achieved.</p>
	<p><b>Indicator:</b> Framework for internal control and audit of the Ministry of Finance developed</p> <p><b>Baseline:</b> No (2012)</p> <p><b>Target:</b> Yes (2015)</p>	<p>The CLR reports that, in 2012, the Bank undertook a Public Expenditure and Financial Accountability (PEFA) Assessment (P123455) to provide the Government with an integrated assessment of the public finance management system, as well as suggestions on reform planning and implementation. However, although the PEFA Assessment was shared with the Government, it was never disseminated.</p>	<p>Source: CLR</p> <p>The CPS Objective was reformulated at the CPSPR stage. Likewise, the indicators were revised and consolidated. This revised indicator was not specific and difficult to measure.</p> <p>Given the lack of evidence of a developed framework for internal control and audit of the Ministry of Finance, this target is rated not achieved.</p>



	<b>CPS FY12-FY15 – Focus Area 5: Governance</b>	<b>Actual Results (as of current month/year)</b>	<b>IEG Comments</b>
		<p>The CLR reports that, through the Strengthening Regulatory and Supervisory Framework Technical Assistance approved in FY13, the Bank is supporting the strengthening of the internal control and audit framework of the Ministry of Finance and that a follow up capacity building activities in internal control and audit are currently considered. However, the CLR is not clear of the achievements yielded by this support. In addition, this TA may be supporting supervision and regulation of financial services, rather than internal controls of the MoF. In the results matrix of the CPSPR, this TA is included in the thematic area Enhance Competitiveness of the Economy.</p> <p>The CLR reports that the Bank, through the Enhancing Financial Reporting and Auditing in the Banking System Technical Assistance, supported the Centre for Financial Reporting Reform (CFFR) in the elaboration of a Country Strategy and Action Plan for Enhancing Financial Reporting in the Banking sector. This strategy identified the strengthening of the accounting and auditing professions as a priority area. In the results matrix of the CPSPR, this TA is included in the thematic area Enhance Competitiveness of the Economy.</p> <p>IFC delivered the Central Asia Tax Project (P597327). This advisory service supported the State Tax Committee in the development of software for Risk Based Audit (RBA) of Unified Single Taxpayers has been developed jointly with the IFC. The software has been piloted in three districts of Tashkent city.</p>	



**Annex Table 2: Planned and Actual Lending for Uzbekistan, FY12-15**

Project ID	Project name	Prop. FY	Approval FY	Closing FY	Proposed IBRD/IDA Amount	Approved IBRD Amount	Approved IDA Amount	Approved IBRD/IDA	Outcome Rating
<b>Project Planned Under CPS and CPSPR</b>									
<b>FY12</b>									
P122773	Advanced Electricity Metering	2012	2012	2017	110	180		180	LIR: MU
P118197	Alat-Karakul Water Supply	2012	2013	2018	50		82	82	LIR: MU
P126962	RESPII Additional Finance	2012	2013		40		40	40	
<b>FY13</b>									
P133633	Enterprise Energy Efficiency II	2013	2013		100		100	100	
P127764	South Karakalpakstan Drainage Project	2013	2014	2022	261	18	243	261	LIR: MU
DROPPED	Water Sanitation Sector Investmn	2013							
<b>FY14</b>									
DROPPED	Microfinance/ credit access	2014			50				
DROPPED	Early Childhood Development	2014			100				
DROPPED	Water Sanitation Sector Investment Project 2	2014			100				
P133703	Horticulture Pilot Project	2014	2014	2021	150	150		150	LIR: MS
DROPPED	Electricity Distribution	2014			100				
<b>FY15</b>									
DROPPED	DISTRICT HEATING ENERGY EFFICIENCY	2015			187				
DROPPED	Modernizing Higher Edu Project	2015			40				
P146328	Pap-Angren Railway	2015	2015	2019	200	195		195	LIR: S
P146334	Regi. Roads and Dev. Project	2015	2015	2022	200		200	200	LR: S
DROPPED	Urban Integrated Dev. Project	2015			100				
DROPPED	Transport Unidentified	2015			100				
<b>Total Planned</b>					<b>1,888</b>	<b>543</b>	<b>665</b>	<b>1,208</b>	
<b>Unplanned Projects during the CPS and CPSPR Period</b>									
P152801	AF Bukhara and Samark & Sew	2015	2015				105		
P133187	proposal Financing to HSIP	2013	2013				93		
<b>Total Unplanned</b>							<b>198</b>	<b>-</b>	
<b>Active Projects during the CPS and CPSPR Period</b>									
P009127	DRAINAGE, IRRIG & WETLANDS IMPRVMT		2003	2013		35	25	60	IEG: MU
P051370	HEALTH 2		2005	2012			40	40	IEG: MS
P109126	RURAL ENTERPRISE SUPPORT PROJECT II		2008	2017			68	68	LIR: MS
P107845	BASIC EDUC - Phase Two		2009	2014			28	28	IEG: MU
P110538	FERGHANA Valley Water Resources Mgt		2010	2017			66	66	LIR: MS
P112719	BUKHARA & SAMARKAND SEWERAGE PROJECT		2010	2019			55	55	LIR: S
P118737	ENERGY EFF - INDUST ENTERPRISES		2010	2018			25	25	LIR: S
P111760	SYRDARYA WATER SUPPLY		2011	2018			88	88	LIR: MS
P113349	HEALTH SYSTEM IMPROVEMENT PROJECT		2011	2019			93	93	LIR: MU
P119939	TALIMARJAN TRAN PROJECT		2011	2016		110		110	LIR: S
<b>Total On-going</b>						<b>145</b>	<b>488</b>	<b>633</b>	

Source: Uzbekistan CPS, and CPSPR AO Table 2a.1, 2a.4 and 2a.7 as of 12/10/15

\*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory



**Annex Table 3: Analytical and Advisory Work for Uzbekistan, FY12-15**

Proj ID	Economic and Sector Work	Fiscal year	Output Type
P127541	UZ Quality Infra/Innovation/IT	FY12	Other Financial Sector Study
P127469	ENERGY/POWER SECTOR ISSUES NOTE	FY13	Sector or Thematic Study/Note
P127542	UZ Vision 2030 - PSD for competitiveness	FY13	PSD, Privatization and Industrial Policy
P127551	Transport Sector Policy Note	FY13	Sector or Thematic Study/Note
P129253	Horticulture Policy Note for Uzbekistan	FY13	Sector or Thematic Study/Note
P129586	Improving Early Childhood Education	FY13	Sector or Thematic Study/Note
P122464	EE Strategy for Industrial Enterprises	FY14	Sector or Thematic Study/Note
P123455	PEFA	FY14	Public Expenditure Financial Accountability
P131307	Modernizing Tertiary Education	FY14	Sector or Thematic Study/Note
P148672	Activity 1: Inputs to Vision 2030 Paper	FY14	Sector or Thematic Study/Note
P148673	Draft Background Paper for Vision 2030	FY14	Sector or Thematic Study/Note
Proj ID	Technical Assistance	Fiscal year	Output Type
P112863	Growth and Innovation	FY12	Model/Survey
P117695	CPIA Policy Dialogue	FY12	"How-To" Guidance
P119463	FIRST UZ #8136 Streng. Insurance Spn.	FY12	"How-To" Guidance
P122644	UZ FSD Policy Dialogue	FY12	"How-To" Guidance
P122645	UZ Doing Business Reforms	FY12	TA/IAR
P122927	UAP-ES ASSESSMENT	FY12	TA/IAR
P127604	UZ Financial Sector Support TA	FY12	TA/IAR
P132517	UZ - Financial Sector Support	FY13	TA/IAR
P128973	Programmatic Approach Gas Flaring Reduct	FY14	TA/IAR
P131647	Enhan Fin Report	FY14	TA/IAR
P143449	Uzbekistan Vision 2030	FY14	TA/IAR
P147430	Uzbekistan Vision 2030 - SD	FY14	TA/IAR
P148671	Activity 3: MSME Dialogue	FY14	TA/IAR
P126411	UZ - ICT and e-Government development	FY15	TA/IAR
P130930	ICT assistance program for Electricity	FY15	TA/IAR
P132175	Uzbekistan #10266 Strength the Reg	FY15	TA/IAR
P146615	Social Accountability for Utilities	FY15	TA/IAR
P147418	Land Administration Dialogue	FY15	TA/IAR
P148176	Uzbekistan Vision 2030 HD	FY15	TA/IAR
P148202	Jobs and social protection TA	FY15	TA/IAR

Source: WB AO Table ESW/TA as of 12/10/15



**Annex Table 4: Grants and Trust Funds Active in FY12-15 (in US\$ million)**

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount
P146328	Pap-Angren Railway	TF 17692	2015	2016	700,000
P144856	Improving Pre-primary and General Secondary Education Project	TF 18066	2015	2018	49,900,000
P146334	Regional Roads Development Project	TF 18007	2015	2016	400,000
P146206	District Heating Energy Efficiency Project	TF 17465	2015	2016	700,000
P127486	SUSTAINABLE AGRICULTURE AND CLIMATE CHANGE MITIGATION PROJECT (GEF)	TF 14400	2014	2017	12,699,000
P009127	Drainage, Irrigation & Wetlands Improvement Project - Phase 1	TF 57070	2007	2013	1,984,728
	<b>Total</b>				<b>66,383,728</b>

Source: Client Connection as of 11/25/15

**Annex Table 5 IEG Project Ratings for Uzbekistan, FY12-15**

Exit FY	Proj ID	Project name	Total Evaluated (\$M)	IEG Outcome	IEG Risk to DO
2012	P051370	HEALTH 2	41.4	MODERATELY SATISFACTORY	NEGLIGIBLE TO LOW
2013	P009127	DRAINAGE, IRRIG & WETLANDS IMPRVMT	57.3	MODERATELY UNSATISFACTORY	SIGNIFICANT
2014	P107845	BASIC EDUC - Phase Two	25.5	MODERATELY UNSATISFACTORY	MODERATE
		<b>Total</b>	<b>124.2</b>		

Source: AO Key IEG Ratings as of 11/25/15

**Annex Table 6: IEG Project Ratings for Uzbekistan and Comparators, FY12-15**

Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	RDO % Moderate or Lower Sat (\$)	RDO % Moderate or Lower Sat (No)
Uzbekistan	124.1	3	33.4	33.3	53.9	66.7
ECA	9,163.4	146	87.2	75.3	58.7	62.3
World	71,732.7	883	81.7	70.1	61.0	47.5

Source: WB AO as of 11/25/15

\* With IEG new methodology for evaluating projects, institutional development impact and sustainability are no longer rated separately



**Annex Table 7 Portfolio Status for Uzbekistan and Comparators, FY12-15**

Fiscal year	2012	2013	2014	2015	Average
<b>Uzbekistan</b>					
# Proj	11	10	11	15	12
# Proj At Risk	5	2	6	4	4
% Proj At Risk	45.5	20.0	54.5	26.7	36.7
Net Comm Amt	774.8	1,040.2	1,423.0	1,971.5	1,302.4
Comm At Risk	261.5	235.0	591.2	414.9	375.7
% Commit at Risk	33.8	22.6	41.5	21.0	29.7
<b>ECA</b>					
# Proj	256	246	280	290	268
# Proj At Risk	47	47	37	36	42
% Proj At Risk	18.4	19.1	13.2	12.4	15.8
Net Comm Amt	23,091.9	24,699.7	26,927.9	26,544.5	25,316.0
Comm At Risk	2,668.4	3,844.0	2,635.4	3,533.8	3,170.4
% Commit at Risk	11.6	15.6	9.8	13.3	12.6
<b>World</b>					
# Proj	2,029	1,964	2,048	2,022	2,016
# Proj At Risk	387	414	412	444	414
% Proj At Risk	19.1	21.1	20.1	22.0	20.6
Net Comm Amt	173,706.1	176,202.6	192,610.1	201,045.2	185,891.0
Comm At Risk	24,465.0	40,805.6	40,933.5	45,987.7	38,047.9
% Commit at Risk	14.1	23.2	21.3	22.9	20.3

Source: WB AO as of 12/14/15

**Annex Table 8: Disbursement Ratio for Uzbekistan, FY12-15**

Fiscal Year	2012	2013	2014	2015	Overall Result
<b>Uzbekistan</b>					
Disbursement Ratio (%)	11.91	13.82	10.53	10.20	11.30
Inv Disb in FY	60.72	86.59	91.83	114.22	353.35
Inv Tot Undisb Begin FY	509.85	626.37	871.99	1,119.80	3,128.00
<b>ECA</b>					
Disbursement Ratio (%)	25.92	24.15	22.78	23.49	24.16
Inv Disb in FY	3,498.43	2,925.82	2,611.49	2,663.82	11,699.57
Inv Tot Undisb Begin FY	13,495.75	12,113.73	11,466.36	11,341.47	48,417.31
<b>World</b>					
Disbursement Ratio (%)	20.79	20.60	20.79	21.78	20.99
Inv Disb in FY	21,048.24	20,510.39	20,756.98	21,852.73	84,168.34
Inv Tot Undisb Begin FY	101,234.29	99,588.04	99,852.72	100,343.74	401,018.79

\* Calculated as IBRD/IDA Disbursements in FY / Opening Undisbursed Amount at FY. Restricted to Lending Instrument Type = Investment  
AO disbursement ratio table as of 12/14/15



**Annex Table 9: Net Disbursement and Charges for Uzbekistan, FY12-15**

Period	Disb. Amt.	Repay Amt.	Net Amt.	Charges	Fees	Net Transfer
Jul 2011 - Jun 2012	60,996,167	38,654,185	22,341,981	8,778,065	1,362,995	12,200,922
Jul 2012 - Jun 2013	86,585,352	40,114,277	46,471,075	6,767,076	1,391,354	38,312,645
Jul 2013 - Jun 2014	90,211,208	41,023,990	49,187,218	4,348,635	2,275,350	42,563,233
Jul 2014 - Jun 2015	113,896,099	41,458,812	72,437,287	2,498,673	2,282,692	67,655,922
<b>Report Total</b>	<b>351,688,825</b>	<b>161,251,264</b>	<b>190,437,560</b>	<b>22,392,448</b>	<b>7,312,391</b>	<b>160,732,722</b>

Source: World Bank Client Connection 11/25/2015

**Annex Table 10: Total Net Disbursements of Official Development Assistance and Official Aid for Uzbekistan**

Development Partners	2012	2013	2014
Australia		0.04	
Austria	0.44	0.27	
Belgium	0.01		
Czech Republic	0.24	0.19	0.1
Denmark	0.11	0.12	0.04
Finland	0.07	0.01	0.06
France	1.82	2.09	
Germany	39.42	32.17	
Greece	0.25	0.11	
Ireland	0.02		
Italy	0.01	0.01	
Japan	-6.01	30.11	
Korea	19.09	10.7	
Luxembourg	0.29	0.14	0.12
Norway	0.43	0.16	
Poland	-0.73	-0.67	
Slovak Republic	0.03	0.02	
Spain		0.03	
Sweden	0.05	0.06	
Switzerland	2.62	3.38	
United Kingdom	2.59	2.41	
United States	8.93	24.66	
<b>DAC Countries, Total</b>	<b>69.68</b>	<b>106.01</b>	<b>0.32</b>
Adaptation Fund			0.34
AsDB Special Funds	57.44	73.67	
EU Institutions	3.56	12.18	
Food and Agriculture Organization		0.28	
GAVI	1.75	1.12	
GEF	2.3	1.36	
Global Green Growth Institute (GGGI)		0.16	
Global Fund	45.23	2.74	11.05
IAEA	0.87	0.42	0.74
IBRD			
IDA	48.26	72.99	



Development Partners	2012	2013	2014
IFC			
Isl .Development Bank	0.13	0.78	6.75
OFID	4.99	2.94	0.21
OSCE	2.1	2.04	
UNAIDS	0.47	0.51	0.47
UNDP	5.31	5.64	4.17
UNFPA	1.16	1.37	1.24
UNICEF	3.2	3.18	
WHO	0.03	0.22	0.46
<b>Multilateral, Total</b>	<b>176.8</b>	<b>181.6</b>	<b>25.43</b>
Hungary		0.05	
Israel	0.64	0.52	0.67
Kuwait (KFAED)	1.48	-2.92	-2.69
Latvia	0.08	0.08	0.11
Lithuania	0.01	0.01	
Malta			
Romania	0.01	0.01	
Russia	0.92	0.34	
Thailand	0.02	0.06	0.01
Turkey	5.2	7	
United Arab Emirates	0.09	0	
Non-DAC Countries, Total	8.45	5.15	-1.9
<b>Development Partners Total</b>	<b>254.93</b>	<b>292.76</b>	<b>23.85</b>

Source: OECD Stat, [DAC2a] as of 12/10/15

**Annex Table 11: List of IFC Investments in Uzbekistan**

Investments Committed in FY12-FY15 (US\$, 000)							
Project ID	Cmt FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
36170	2015	Active	Finance & Insurance	598		595	595
33596	2014	Active	Finance & Insurance	7,500	7,500	-	7,500
35062	2014	Active	Finance & Insurance	1,290		1,290	1,290
30500	2012	Active	Finance & Insurance	25,000	25,000	-	25,000
32024	2012	Active	Finance & Insurance	485		485	485
			<b>Sub-Total</b>	<b>34,873</b>	<b>32,500</b>	<b>2,370</b>	<b>34,870</b>
Investments Committed pre-FY12 but active during FY12-15 (US\$, 000)							
Project ID	CMT FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
30657	2011	Active	Finance & Insurance	5,772	5,772	-	5,772
30893	2011	Active	Finance & Insurance	447		447	447
27615	2010	Active	Finance & Insurance	5,200	2,000	2,536	4,536
27246	2009	Closed	Finance & Insurance	3,000	2,300	-	2,300
23990	2007	Closed	Finance & Insurance	3,000	3,000	-	3,000
			<b>Sub-Total</b>	<b>17,419</b>	<b>13,072</b>	<b>2,983</b>	<b>16,055</b>
			<b>TOTAL</b>	<b>52,292</b>	<b>45,572</b>	<b>5,353</b>	<b>50,925</b>

Source: MIS Extract as of 6/30/2015



**Annex Table 12: List of IFC Advisory Services for Uzbekistan**

Advisory Services Approved in FY12-15 (US\$)						
Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds, US\$
588987	Uzbek cold storages	2013	2014	CLOSED	PPP	505,907
593107	Uzbekistan Tax Simplification Project	2013	2013	TERMINATED	IC	90,201
	<b>Sub-Total</b>					<b>596,108</b>
Advisory Services Approved pre-FY12 but active during FY12-15 (US\$)						
Project ID	Project Name	Start FY	End FY	Project Status	Primary Business Line	Total Funds, US\$
577547	Uzbekistan Water-Agri Efficiency Project	2011	2014	TERMINATED	SBA	92,044
27816	Uzbek Health PPP	2010	2012	CLOSED	PPP	260,856
569389	Uzbekistan FM Infrastructure	2010	2019	ACTIVE	A2F	2,337,764
570307	Hamkorbank SME Banking	2010	2012	CLOSED	A2F	248,287
	<b>Sub-Total</b>					<b>2,938,951</b>
	<b>TOTAL</b>					<b>3,535,059</b>

Source: IFC AS Data as of end of FY15

**Annex Table 13: IFC Net Commitment Activity for Uzbekistan**

(US\$, 000)												
	2012	2013	2014	2015	Total	%	2007	2008	2009	2010	2011	Total pre-12
Financial Markets	485	-	8,790	595	9,870	28.3%	3,000		2,300	4,536	447	10,283
Trade Finance (TF)	25,000				25,000	71.7%					5,772	5,772
<b>Total</b>	<b>25,485</b>	<b>-</b>	<b>8,790</b>	<b>595</b>	<b>34,870</b>	<b>100.0%</b>	<b>3,000</b>	<b>-</b>	<b>2,300</b>	<b>4,536</b>	<b>6,219</b>	<b>16,055</b>

Source: IFC MIS Cube as of 1/20/16

**Annex Table 14: List of MIGA Activities Uzbekistan**

(in US\$ millions)						
ID	Contract Enterprise	FY	Project Status	Sector	Investor	Max Gross Issuance
8420	LUKOIL Overseas Uzbekistan Ltd.	2012	Active	Oil and Gas	Switzerland	119.5
<b>TOTAL</b>						<b>119.5</b>

Source: MIGA 1/20/16



**Annex Table 15: Economic and Social Indicators for Uzbekistan, FY12-15**

Series Name					Uzbekistan	ECA	World
	2012	2013	2014	2015	Average 2012-2015		
<b>Growth and Inflation</b>							
GDP growth (annual %)	8.2	8.0	8.1		8.1	0.6	2.4
GDP per capita growth (annual %)	6.6	6.3	6.3		6.4	0.2	1.1
GNI per capita, PPP (current international \$)	5,000.0	5,460.0	5,840.0		5,433.3	28,134.0	14,405.3
GNI per capita, Atlas method (current US\$)						1.7	3.0
Inflation, consumer prices (annual %)	1,730.0	1,940.0	2,090.0		1,920.0	25,244.4	10,618.5
<b>Composition of GDP (%)</b>							
Agriculture, value added (% of GDP)	19.0	19.2	18.8		19.0	2.0	3.1
Industry, value added (% of GDP)	32.3	33.3	33.7		33.1	25.0	26.6
Services, etc., value added (% of GDP)	48.7	47.5	47.5		47.9	73.0	70.3
Gross fixed capital formation (% of GDP)	22.8	23.2	23.3		23.1	19.5	21.8
Gross domestic savings (% of GDP)	23.7	26.3	27.0		25.6	22.0	22.3
<b>External Accounts</b>							
Exports of goods and services (% of GDP)	27.7	29.6	29.3		28.9	40.9	29.9
Imports of goods and services (% of GDP)	32.9	30.4	29.4		30.9	38.6	29.8
Current account balance (% of GDP)							
External debt stocks (% of GNI)	16.9	18.1			17.5		
Total debt service (% of GNI)	1.3	1.2			1.3		
Total reserves in months of imports						6.6	13.5
<b>Fiscal Accounts <sup>1</sup></b>							
General government revenue (% of GDP)	41.5	36.3	35.5	35.3	37.1		
General government total expenditure (% of GDP)	33.7	33.9	33.4	35.2	34.0		
General government net lending/borrowing (% of GDP)	7.8	2.4	2.2	0.1	3.1		
General government gross debt (% of GDP)	8.6	8.3	8.5	11.6	9.2		
<b>Social Indicators</b>							
<b>Health</b>							
Life expectancy at birth, total (years)	68.1	68.2			8.2	76.7	70.8
Immunization, DPT (% of children ages 12-23 months)	99.0	99.0	99.0			95.7	85.7
Improved sanitation facilities (% of population with access)	100.0	100.0	100.0	100.0		92.9	66.7
Improved water source, rural (% of rural population with access)	80.9				80.9	95.6	83.4
Mortality rate, infant (per 1,000 live births)	37.2	36.1	35.0	33.9	35.6	10.3	33.2
<b>Education</b>							
School enrollment, preprimary (% gross)						76.2	53.5
School enrollment, primary (% gross)						102.2	108.2
School enrollment, secondary (% gross)						102.4	74.6
<b>Population</b>							
Population, total (Millions)	29,774,500	30,243,200	30,742,500		30,253,400	898,965,230	7,174,800,300
Population growth (annual %)	1.5	1.6	1.6		1.6	0.4	1.2
Urban population (% of total)	36.2	36.2	36.3		36.2	0.5	52.9

Source: WDI Central 10/14/15

<sup>1</sup>International Monetary Fund, World Economic Outlook Database, October 2015

\*\*WEO estimates starts after 2014