



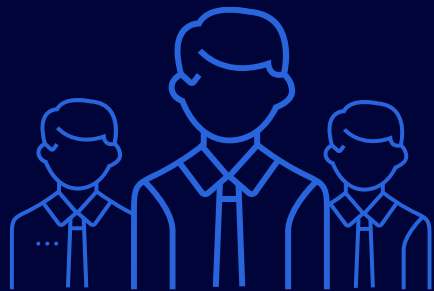
**GRATA**  
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# PPP in Uzbekistan: recent legal developments, major issues and opportunities.

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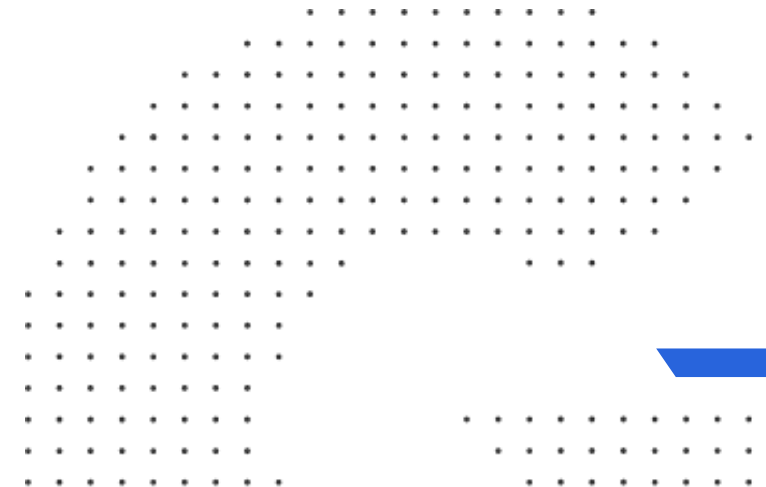
# WHY UZBEKISTAN?

- Significant legal and institutional reforms and the creation of a favorable business climate during last years (currency liberalization, establishment of FEZ, improvement in Taxation Policy, adoption PPP Law, simplification of licensing and permitting procedures);
- In 2020 public and private partners have signed 56 PPP agreements, which includes 6 foreign investments worth USD 2 billion and 50 local investments worth UZS 362 billion. Sectoral breakdown of signed PPP agreements: energy generation + renewables - 6; education - 25; healthcare - 11; irrigation - 7; waste management – 5 and utilities - 2.
- World Bank, ADB, EBRD and other global development institutions committed to support reform agenda in Uzbekistan;
- Abundance of natural resources and a growing population that is increasing the market size.

# PPP LEGAL DEVELOPMENTS

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- Uzbekistan is at the very beginning of the PPP road and only few large scale projects were implemented on PPP mechanism;
- PPP law was adopted on 10 May 2019 and further amended in January 2021;
- Amendments permit to peg prices for goods (works, services) to foreign currencies, establish SPV, one-time payment for the successful entry into the PPP agreement, to open offshore bank accounts for SPV etc.



# Legislative framework

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- PPP law permits both public and private to initiate the PPP project;
- A threshold for approving the PPP project depending on its total amount is established i.e. line minister approves project below USD 1 mln, PPP Agency – below USD 10 mln and the Cabinet of Ministers – above USD 10 mln;
- The PPP agreement can be entered pursuant to the tender or direct negotiation;
- SPV can be incorporated after the tender completion;
- Land plot is allotted without the auction;
- Duration from 3 to 49 years.



# PPP projects

## Renewables

- The GOU announced a 10-year program to build 5 GW of solar power and 3 GW of wind power by 2030
- GOU has recently implemented critical energy reforms, including the unbundling of Uzbekenergo and tariff reform with an aim of cost recovery in the sector.
- Investments of ~USD 12 billion are expected through 2025.

### **100 MW Wind Based Power Generation Project in Qorao'zak District, of Karakalpakstan Region:**

- EBRD financed;
- In progress;
- Sponsor – ACWA Power;
- PPA duration: 25 years.





# PPP projects

## Renewables (Solar)

### **3 Solar PV Plants in Namangan, Bukhara and Khorezm**

- total summed capacity of up to 500 MW;
- The project is being conducted in consultation with IFC;
- RFP Stage expected 1 quarter 2022;
- Tender stage



### **Guzar Project**

- ADB financed;
- Solar PV Power Plant with a capacity of up to 300 Mwac;
- RFQ stage by before Dec 2021
- Tender stage



# PPP projects



## **Namangan Waste Water Treatment Project**

- EBRD financed;
- Sovereign loan of up to USD 60 million;
- Announcement of RFP stage results – expected on 4 Dec 2021;
- Tender stage.



## **Construction of two Solar PV projects in Samarkand and Jizzakh with the capacity 200 MW per each under the Scaling Solar 2 Project Uzbekistan:**

- financed by IFC;
- PPA duration: 25 years;
- Sponsor – Masdar
- Ongoing



## **Construction of 1,250-1,500 MW Combined Cycle Gas Turbine (CCGT) power plant in Syrdarya through a PPP model:**

- IFC acts as Lead Transaction Advisor;
- Sponsor: Consortium of EDF, Nebras Power and Sojitz Corporation

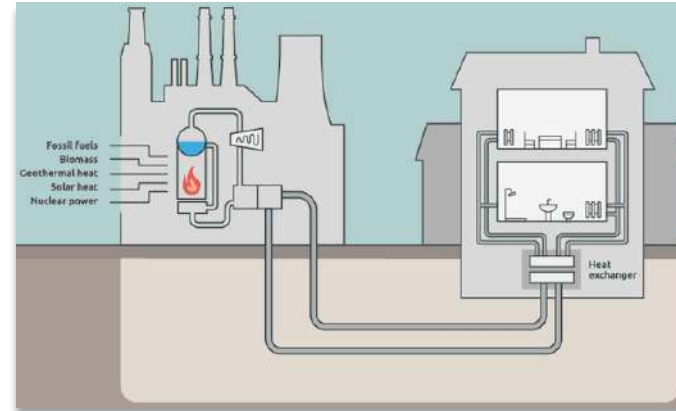


# PPP projects



## **Construction of Samarkand airport**

- USD 80 mln project cost;
- 20 years;
- Erriell – Private Partner.



## **The modernization of the Tashkent District Heating**

- financed by EBRD;
- Veolia – Private Partner;
- Entered into pursuant the direct negotiation.





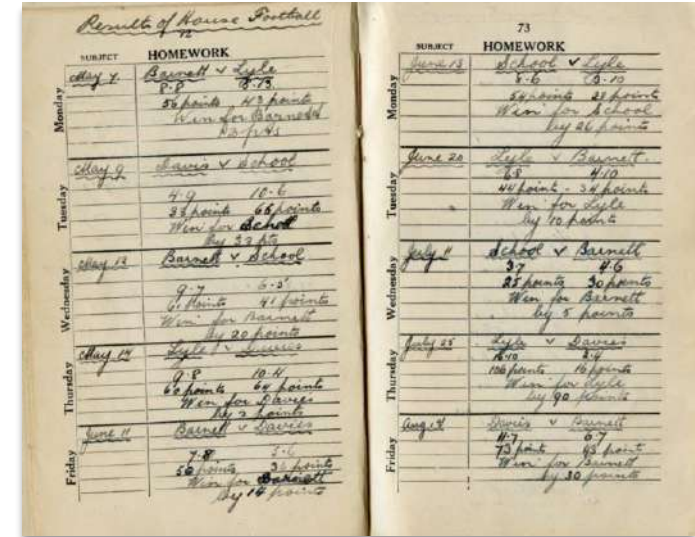
# PPP projects

## Education



### Construction of 15 schools

- In consultation with IFC;
- For 10,000 pupils;
- Private Partner - TBA;
- No tender is announced.



### Electronic diary (Kundalik)

- Automated information system for digitising paper diaries;
- Entered into pursuant the direct negotiation;
- Private partner - "Kundalik" LLC;
- USD 7 mln.



# THANK YOU!

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**QUESTIONS?**