



SOLID WASTE MANAGEMENT IMPROVEMENT PROJECT

ADB LOAN NO.: 3067-UZB

MANAGEMENT CONSULTING SERVICES,

PROJECT IMPLEMENTATION AND SUPERVISION

Contract No.: SUE/Maxsustrans/QCBS-Cons_1-2016-01



Quarterly Progress Report April – June 2024

IMPLEMENTING AGENCY

State Unitary Enterprise (SUE) “Maxsustrans” (Uzbekistan)

PIU CONSULTANT

Infratech Consulting SDN LLC (Uzbekistan)



Tashkent – August 2024

Project name: Solid Waste Management Improvement Project ADB Loan No.: 3067-UZB	Client: State Unitary Enterprise (SUE) “MAXSUSTRANS” Mr. Komoliddin Nabiev, Director Phone: (+998 71) 247 06 70 Fax: (+998 71) 247 79 21 Email: maxsustrans@inbox.ru
Contract No.: SUE/Maxsustrans/QCBS- Cons_1-2016-01 dated 11 January 2017	Project Implementation Unit: Mr. Jamoliddin Irbutaev, Acting Head of PIU Address: Uchtepa district, Bekobod industrial zone, Tashkent, 100132, Republic of Uzbekistan Phone: (+998 71) 247 38 16 Email: piu3067@gmail.com
Service Commencement Date: 01 August 2017 Service End Date: December 31, 2024 (in accordance with Amendment No. 7)	PIU Support Consultant: Infratech Consulting SDN LLC Mr. Dilshod Mavlyan-Kariev, Deputy Team Leader / Deputy Director Address: Republic of Uzbekistan, Shakhrisabz street, 16a, Tashkent, 100015, Phone: +998 71 256 39 01 Email: infratech_consulting@asia.com
Name of PIU Consultant Deputy Team Leader, telephone and email:	Mr. Dilshod Mavlyan-Kariev Phone: +998 90 975 27 00 Email: dilshod75@mail.ru

Table of content

1	EXPLANATORY NOTE.....	5
2	PROJECT DESCRIPTION.....	7
2.1	PROJECT DESCRIPTION.....	7
2.2	SOURCE OF FINANCING AND CATEGORY OF LOAN FUNDING	8
3	TASKS AND ACTIVITIES OF THE CONSULTANT DURING THE REPORTING PERIOD 10	
3.1	PROJECT MANAGEMENT (TOR TASK A)	10
3.2	PROCUREMENTS (TOR TASK B)	10
3.3	SUPERVISION AND MONITORING OVER CONSTRUCTION (TOR TASK C).....	11
3.4	ADMINISTRATION OF CONTRACTS (TOR TASK D).....	11
3.5	IMPLEMENTATION, MONITORING AND EVALUATION OF SAFEGUARDS (TOR TASK E)	12
3.6	MEDIA AND PUBLIC RELATIONS (TOR TASK F)	14
3.7	OTHER SERVICES AND TASKS PERFORMED BY THE CONSULTANT.....	14
4	ACTIVITIES PLANNED FOR THE NEXT REPORTING PERIOD.....	15
4.1	PROJECT MANAGEMENT (TASK A).....	15
4.2	PROCUREMENTS (TASK B).....	15
4.3	CONSTRUCTION SUPERVISION AND MONITORING (TASK C)	15
4.4	ADMINISTRATION OF CONTRACTS (TASK D).....	16
4.5	IMPLEMENTATION, MONITORING AND EVALUATION OF SAFEGUARDS (TASK E)	16
4.6	MEDIA AND PUBLIC RELATIONS (TASK F).....	16
5	USED STAFF INPUT AND CONSULTANT BUDGET	18

ANNEX:

Annex 1 – Loan reallocation proposal (update 30.06.2024)

Annex 2 - Project Procurement Schedule (update 30.06.2024)

Annex 3 – Project Implementation Schedule (update 30.06.2024)

Annex 4 – New Landfill Construction Schedule (update 30.06.2024)

List of abbreviations

ADB	ASIAN DEVELOPMENT BANK
AFS	AUDITED FINANCIAL STATEMENTS
TD	TENDER DOCUMENTATION
SW	SCOPE OF WORK
CDP	CAPACITY DEVELOPMENT PROGRAM
SCQ	SELECTION OF A CONSULTANT FOR QUALIFICATION
EA	EXECUTIVE AGENCY (Tashkent City Municipality)
EIA	ENVIRONMENTAL IMPACT ASSESSMENT
EMP	ENVIRONMENTAL MANAGEMENT PLAN
IFCE	INTERNATIONAL FEDERATION OF CONSULTING ENGINEERS
GAP	GENDER ACTION PLAN
GCC	GENERAL CONDITIONS OF THE CONTRACT
GOU	GOVERNMENT OF THE REPUBLIC OF UZBEKISTAN
GIS	GEOGRAPHICAL INFORMATION SYSTEM
IB	INSTRUCTIONS FOR BIDDERS
IA	IMPLEMENTING AGENCY (SUE “Maxsustrans”)
ICB	INTERNATIONAL COMPETITIVE BIDDING
IEA	INITIAL ENVIRONMENTAL ASSESSMENT
LARP	LAND ACQUISITION AND RESETTLEMENT PLAN
MSW	MUNICIPAL SOLID WASTE
MOF	MINISTRY OF FINANCE
NGO	NON-GOVERNMENTAL ORGANIZATION
O&M	OPERATION AND MAINTENANCE
PAM	PROJECT ADMINISTRATION MANUAL
PIU	PROJECT IMPLEMENTATION UNIT
QCBS	QUALITY AND COST BASED SELECTION
RFP	REQUEST FOR PROPOSAL
SCC	SPECIAL CONDITIONS OF CONTRACT
SCEEP	STATE COMMITTEE ON ECOLOGY AND ENVIRONMENTAL PROTECTION OF THE REPUBLIC OF UZBEKISTAN
SPR	SAFEGUARD POLICY REPORT
SLF	SANITARY LANDFILL FACILITY
SWMIP	SOLID WASTE MANAGEMENT IMPROVEMENT PROJECT
TCM	TASHKENT CITY MUNICIPALITY
TS	TECHNICAL SUPPORT
TOR	TERMS OF REFERENCE
\$	U.S. DOLLARS
UZB	UZBEKISTAN
UZS	UZBEK SUMS
WA	APPLICATION FOR WITHDRAWAL

1 **EXPLANATORY NOTE**

This Progress Report contains information on the activities of PIU Support Consultant, the results achieved and current issues within the framework of the Solid Waste Management Improvement Project (the Project or SWMIP) for the reporting period from **1 April to 30 June, 2024**. The Project financed by the Loan No. L3067-UZB of ADB provided through Loan Agreement dated of 27 February 2014. The Loan Closing Date has been prolonged by the third time until 31 December 2024. This report presents a quarterly progress of the Consultant tasks as per Terms of Reference, especially the consultancy support in project management, procurement, contract administration, financial management, safeguard monitoring/reporting and other activities as requested by PIU and the Client.

The structure of the report is similar to the previously presented reports as developed for the Client and the PIU and submitted to ADB. This report covers comprehensive progress achieved in project management, procurement activities and all other aspects of the Project during the second quarter of 2024.

The following is a summary of the main activities and achievements of the Project during the reporting period:

- **Contract CW1R: Sanitary Landfill Establishment.** The long-term negotiations with the Contractor on draft Amendment No. 1 to the Contract have been completed by signing the Minutes of Meeting on variations on 29 January 2024 and signing the Amendment No. 1 on 17 May 2024. The contract modifications are: the Special Conditions of the Contract; the Employer requirements; the Specifications, the Drawings and the Bill of Quantities. The technical variations caused by the site conditions, design changes requested by the Employer and corrections of omissions in drawings and BoQs made by CUCD designers during the design phase in 2019. The additional amount to be added is about \$1.5 million covered by the loan savings accumulated so far in the Project. The construction period has been extended from 30 September 2023 until 31 July 2024.
- **Contract Cons_2: Sanitary Landfill Design and Supervision Consultant.** The long-term negotiations with the Consultant on draft Amendment No. 4 to the Contract have been completed by signing the Minutes of Meeting on contract variations on 5 March 2024. The contract modifications are: extension of the supervision phase by 13 months (until 31.10.2024), two key expert replacements, implementation of on-site training for Maxsustrans staff to operate and maintenance of the new landfill, reallocation of reimbursable costs as required. The additional amount to be added is more than \$300 tsd. to be covered by the loan savings accumulated in the Project.
- **Contract Cons_1: Project Implementation Support Consultant.** The negotiations with the Consultant on draft Amendment No. 7 to the Contract have been completed by signing the Minutes of Meeting on contract variations on 25 December 2023. The amendment includes extension of the Consultant service by 12 months (until 31.12.2024), remuneration rate adjustments of the key experts, allocation of funds for additional input of the experts, reallocation of reimbursable costs required until 31.12.2024. Upon review by MIIT the additional contract amount reduced up to \$27 tsd. covered by loan savings accumulated in the Project.
- **Contract awards:** After no-objection of ADB on 21 March 2024 the Invitation for Bids for additional goods packages G7R and G8R (re-bidding) have been published on 26 March 2024 in ADB and local web sites and national newspapers. On 6 May 2024 the bids have been opened. Unfortunately, the bid evaluation reports prepared by the bid evaluation group and supported by SUE “Maxsustrans”,

have been not approved by the TCM Tender Commission yet. According to the updated procurement plan and project implementation plan the delivery and acceptance of all goods under the both packages should be finished latest by December 2024.

- **Disbursements:** The disbursements of the Project during the second quarter reached \$2.58 million, including PIU expenses. The total disbursements since the beginning of the Project reached \$61.40 million, which equals to 88% of the ADB loan as of 30 June 2024.
- **Safeguard monitoring and reporting:** The safeguard experts of PIU and PIU Consultant responsible for the environmental and social safeguard monitoring have continued their tasks to check the safeguard compliancy during the construction phase on the sanitary landfill in Akhangaran district. The Contractor CW1-R submitted monthly safeguard reports, which used as basis for preparation of semi-annual monitoring reports (environmental and social) for January-June 2024. These reports are still under review by ADB.
- **Progress reports and Procurement Plan:** The Consultant submitted to PIU/Maxsustrans the Quarterly Progress Report for January-March 2024, incl. the updated Procurement and Implementation schedule of the Project.
- **ADB Loan review mission:** During 27-31 May 2024 the loan review mission of ADB was carried out within the reporting period. The mission met with the Ministry of Economy and Finance (MOEF), Ministry of Investment, Industry and Trade (MIIT), State Unitary Enterprise Maxsustrans, Tashkent City Municipality (TCM), and other relevant project stakeholders to discuss the project status and preparatory activities for the project closing in this year. The mission findings and agreements are provided in Aide Memoire signed by the ADB, EA and IA. The overall project performance is rated *On Track*.

2 **PROJECT DESCRIPTION**

2.1 **PROJECT DESCRIPTION**

ADB approved the Project on 27 November 2013 with a loan of **US\$69 million** from its ordinary capital resources. The total cost of the Project is the equivalent of US\$76.0 million, including tax and customs benefits of the Government of Uzbekistan, as well as financial expenses during the implementation of the project. The Loan Agreement and the Project Agreement have been signed with ADB on February 27, 2014. The loan became effective on 29 December 2014. Initially, the Project was designed for a five-year implementation (2014-2018) with the loan closing date - **30 June 2019**.

On the request of the Ministry of Finance of Uzbekistan from 17 December 2018, ADB approved the first extension of the loan closing date until **30 June 2021** (+24 months), in order to complete all remaining Project activities, including the outstanding civil works. However, during this extension the EA and IA were unable to sign the contract CW1 – Sanitary Landfill Establishment and Dumpsite Closure, which is the largest component of this project with the cost estimate of \$23.53 million (34%).

On 26 March 2021 the Ministry of Finance has requested ADB on the second extension of the loan closing date from 30 June 2021 to 30 June 2023 (+24 months). After clarifications and corrective action plan provided by the Government and Tashkent City Municipality (the EA) ADB has confirmed the second loan extension until **31 December 2023** (+30 months) on 23 June 2021.

On 18 September 2023 the Ministry of Economy and Finance has requested ADB on the third extension of the loan closing date from 31 December 2023 to 31 December 2024 (+12 months) in order to complete properly the sanitary landfill construction and to procure the additional goods for Maxsustrans needs from the accumulated loan savings. On 25 December 2023 ADB has approved the third extension of the loan closing date until **31 December 2024**. This final extension will bring the cumulative extension to **66 months**.

The Project outputs

The project impact is improved urban environment and quality of life for the residents of Tashkent. The expected outcome is improved SWM services and management in Tashkent city. The Project has three outputs: Output 1 – rehabilitated and expanded solid waste management (SWM) system in Tashkent; Output 2 – strengthened operational capacity; and Output 3 - national SWM strategy. The Tashkent City Municipality (Hokimiyat) is the executing agency (EA) for Outputs 1 and 2, while the State Committee for Nature Protection of Uzbekistan¹ is for output 3. The State Unitary Enterprise “Maxsustrans” is the implementing agency (IA) responsible for the day-to-day implementation of the project.

Output 1: Rehabilitated and expanded SWM system in Tashkent

- (i) complete rehabilitation of two transfer stations with the possibility of closing one existing transfer station without losing the current waste handling capacity of at least 1,950 tons per day
- (ii) prudently install a recycling system with a capacity of approximately 750,000 tons per year by restoring and building a sanitary landfill in the Akhangaran district of Tashkent region in accordance with international environmental standards

¹ Since 2023 it is reorganized into the Ministry of Ecology, Environmental Protection and Climate Change of Uzbekistan

- (iii) creation of an operating system to achieve an improvement in production capacity while replacing old garbage trucks and equipment in the fleet
- (iv) improving the capacity and quality of collection by sorting household waste by the population and small businesses.

Output 2: Strengthened operational capacity

- (i) at least 90% of households actively sort waste at the source,
- (ii) waste sorting awareness campaign will reach 90% of households with the participation of female household members,
- (iii) improvement of management, operation and maintenance of SUE “Maxsustrans”.

Output 3: National SWM strategy

- (i) Preparation of a national strategy for the management of municipal solid waste, including a draft sector’s investment program

To date, output 1 is still on-going, output 2 was not completed partially in 2023, and output 3 was completed in 2019, while the National Strategy on Municipal Solid Waste Management was approved by the Government of Uzbekistan through Decree of the President of Uzbekistan No. 4291 from 17 April 2019.

2.2 SOURCE OF FINANCING AND CATEGORY OF LOAN FUNDING

The total cost of the Project is **US\$76 million** equivalent, of which ADB loan is US\$69 million and the Government's share is US\$7 million equivalent in the form of capital investments and national tax/customs exemptions. To be note during the project implementation the actual amount of the local tax/customs exemptions has been increased from US\$5.8 million to US\$66.4 million equivalent due to change of customs fees and actual amount of the imported goods, works and services provided by foreign entities (suppliers, consultants and contractors).

Table 1: Funding Sources

Funding Source	Total amount (million USD)	%
Asian Development Bank funding		
Loan 3067-UZB (Ordinary Capital Resources)	69.00	90.79%
Uzbekistan Government funding		
Government of Uzbekistan (Government)	7.00	9.21%
TOTAL	76.00	100%

Table 2: Allocation of Loan 3067-UZB (after last reallocation in August 2019)

Loan category	Category Description	Total Funding Amount (USD)	Total Funding Percentage (%)
1	Civil Works	33,600,480	
a+b	Sanitary Landfill Establishment & Dumpsite Closure	23,531,000	100% of the total amount of declared expenses*
c	Rehabilitation of transfer stations, garages and waste collection points	7,779,000	100% of the total amount of declared expenses*

d	Design and supervision services	2,290,480	100% of the total amount of declared expenses*
2	Plant and Equipment	26,756,900	
a	Landfill Equipment and Machinery	3,800,000	100% of the total amount of declared expenses*
b	Waste collection and transfer trucks	17,088,900	100% of the total amount of declared expenses*
c	Bins and other equipment	5,768,000	100% of the total amount of declared expenses*
3	Project Management, Capacity Development and Studies	4,168,193	
a	Project Management Personnel and Support	2,517,958	100% of the total amount of declared expenses*
b	Capacity Support Programs	1,650,235	100% of the total amount of declared expenses*
4	Interest and Commitment Charges of ADB	4,474,427	100% of the amount due
5	Unallocated	-	
TOTAL		69,000,000	
* Without taxes and fees in Uzbekistan. Source: Loan agreement with ADB dated February 27, 2014.			

As of 31 March 2024 the updated proposal on loan reallocation would be as follows:

Table 3: Breakdown of Loan Proceeds (USD)

Project component	Current allocation of loan (Aug 2019)	Required reallocation (Jun 2024)	Revised allocation (Jun 2024)
CIVIL WORKS	33 600 480	- 5 803 698	27 796 782
PLANT & EQUIPMENT	26 756 900	5 052 619	31 809 519
PROJECT MANAGEMENT	4 168 193	329 518	4 497 711
INTEREST & FEES	4 474 427	0	4 474 427
UNALLOCATED	0	421 561	421 561
TOTAL	69 000 000	0	69 000 000

The updated Loan Allocation Table based on the amended amount of the on-going contracts and PIU costs until December 2024 are presented in **Annex 1**.

3 TASKS AND ACTIVITIES OF THE CONSULTANT DURING THE REPORTING PERIOD

3.1 PROJECT MANAGEMENT (TOR TASK A)

The Consultant has continued to support the PIU and the Client (SUE Maxsustrans) in implementation of the Project in accordance with its contractual obligations. These activities included assistance to the project stakeholders in implementing, managing, administering, exchanging information and reporting on project progress, including safeguard monitoring and procurement management. The Consultant's specialists attended in the construction progress meetings and site visits on the sanitary landfill with participation of the Employer, Contractor and Supervision Consultant and also the ADB specialists.

In accordance with the terms of reference and deliverables schedule, the PIU Consultant has prepared and submitted to PIU and the Client the Quarterly progress report for the period January-March 2024, the Semi-annual environmental monitoring report and the Semi-annual social safeguard monitoring report for January-June 2024. In addition, the Consultant supported and advised the Client and the PIU in preparation of ad-hoc and specific reports, statistic data and other updates on the Project upon request of TCM and other Governmental agencies.

3.2 PROCUREMENTS (TOR TASK B)

The updated cost estimates of the additional Goods procurement (G7R and G8R) and amended amounts of some on-going contracts have been considered at revision of the Procurement Plan of the Project. The updated plan was posted at ADB and Maxsustrans website after approval of the Bank (version No. 12 from 17 March 2024). The updated Procurement Schedule as of June 30, 2024 is provided in **Annex 2**.

The Consultant has assisted to PIU and the Client in preparation of the bidding documents and invitation for bids of the G7R and G8R packages. The IFBs of these packages was posted on 25 March 2024 with deadline for submission of bid proposals by 6 May 2024 (42 days after IFB issuing). The national procurement specialist and deputy team leader assisted to Maxsustrans and PIU to respond on clarification requests of bidders during the bid preparation. The first draft of bid evaluation report has been completed by 30 May 2024 and after review of the City's Tender Commission has been revised. The second draft of BER was completed on 17 July 2024 and submitted through PIU to review by the TC members and Tashkent City Municipality's involved experts. Unfortunately, the BER of both packages have been not finally reviewed or approved by the Tender Commission, the meeting of TC is scheduled until the end of August. The validity of the bids expires on 3 September 2024 and any decision of TC and ADB shall be taken until this deadline.

The current status of the on-going contracts and un-disbursed loan proceeds are presented below:

Table 4: Contract awards and outstanding balance (30 June 2024)

Procurement categories	Total allocated USD	Signed Contracts USD	Balance of funds USD	Notes
WORKS	24 941 634,00	24 941 634,00	0,00	
GOODS	31 809 519,00	26 509 519,00	5 300 000,00	Additional goods packages G7R and G8R
SERVICES	7 349 860,00	7 006 860,00	343 000,00	Additional services of SLF Supervision (Cons_2)
TOTAL	64 101 013,00	58 458 013,00	5 643 000,00	

As of 30 June 2024, the cumulative contract awards are \$58.46 million against the total of \$64.10 million (91%), and cumulative disbursements reached \$61.40 million against the total of \$69 million (88%). 3 Works contracts (\$24.94 million), 5 Goods contacts (\$26.51 million), and 12 Service contracts (\$7.00 million) were awarded to date.

3.3 SUPERVISION AND MONITORING OVER CONSTRUCTION (TOR TASK C)

According to the revised Terms of Reference of Amendment No. 7 this task was cancelled for the extended service period 12 months (January - December 2024), because no input of the national Supervision Specialist (NK-1) is planned for 2024. This task was continued by civil engineers of the SLF Supervision Consultant and engineers of Maxsustrans only.

On 27 May 2024, the ADB Mission visited the construction site of the landfill (CW-1R), discussed the progress and issues with Maxsustrans, project implementing unit consultant (PIU Consultant), design and supervision consultant and the contractor. The physical progress of the landfill achieved 98%, however, the works on the access road (1.5 km) and administrative buildings are still lagging behind (60%). The Mission discussed the latest construction schedule with Maxsustrans (**Annex 4**), according to which the construction shall be completed by July 2024. Timely completion of the landfill is critical as the Governmental commission has issued a directive, instructing that the landfill commences its operation on September 1, 2024.

To be noted there are irrigation channels (owned by the local state irrigation organization) surrounding the landfill perimeter, which have deteriorated over the years without maintenance. The current state of the channels, once flowing with water, may overflow in rainy season and pose flooding risks to the new landfill site, which can cause potential damage to the landfill and disruption to the operations. Currently, Maxsustrans financing from own funds the rehabilitation works of the irrigation channels between old dumpsite and the new landfill site.

During the reporting period, the Deputy Team Leader of the Consultant assisted to PIU and Maxsustrans in communication between the Employer, the Contractor and the Engineer on the current construction issues and resolving/clarification of contractual requests of the Contractor and also participated in the weekly progress meetings of the Contractor / the Employer conducted in the project office on site.

3.4 ADMINISTRATION OF CONTRACTS (TOR TASK D)

The Consultant assisted PIU in administration of the on-going works and service contracts, in particular:

- i) preparation of the withdrawal applications for direct payment and liquidation of the loan proceeds;
- ii) review of the interim payment certificates of the Contractor CW1-R;
- iii) review of contract variations, preparation of amendment documents and supporting documents;
- iv) monitoring of the validity of bank securities provided by the Contractor and the consultants according to the contracts;
- v) other administrative support and assistance in progress reporting of PIU and Maxsustrans for local authorities;
- vi) communication with ADB and MIIT on the proposed variations and amendments.

On-going Delay of the Amendment of the Cons_2 Contract

Due to key personnel changes, price adjustments of the remuneration rates, additional expert input and extension of the service period of the landfill design and supervision consultant (Cons-2), in view of the loan and construction extension to 2024, the consultant contract, which expired October 2023, requires urgent amendment. This was agreed between ADB and the Government during the last review mission (December 2023) and recorded in the Aide Memoire. The Consultant issued a letter to Maxsustrans in May 2024 given the continued stalemate in A4, they would be forced to suspend their services on 1 June 2024. The ADB Mission was informed the agreed draft amendment No. 4 is pending with MIIT since March and urged the Government to attend to this matter urgently.

By official letter to Maxsustrans No. 64 from 1 June 2024, the Supervision Consultant suspended all services starting from 3 June 2024 until an official positive feedback on A4 from Government of Uzbekistan is obtained. Unfortunately, a positive feedback has been not obtained up to date. Suspension

of supervision service at this critical juncture in time will jeopardize the remaining works at the landfill site, stall current payments to the contractor (CW1-R) and cause delay in landfill completion. The further delay with approval of amendment to the Cons_2 Contract means a breach of contract terms and conditions which may carry significant reputational risks and legal consequences.

PIU has provided the following disbursement data for the reporting period:

	II Quarter 2024	I + II Quarter 2024	Aggregated since start of Project
Direct payments	2,580,632.47	3,871,636.99	34,888,000.82
Imprest account	--	29,289.14	358,453.36
TOTAL	2,580,632.47	3,900,926.13	61,399,605.10

Following the loan extension until 31 December 2024, additional goods packages G7 and G8 for supply of waste collection and transfer trucks (additional purchase) (re-bidding) (estimated at \$3.8 million) and waste collection bins and containers (additional purchase) (re-bidding) (estimated at \$1.5 million) are originally targeted to be awarded in Q2 2024 and now in Q3 2024.

The Consultant's accountant has supported PIU in communication with the financial controllers of ADB regarding submitted withdrawal applications for direct payments or liquidations.

3.5 IMPLEMENTATION, MONITORING AND EVALUATION OF SAFEGUARDS (TOR TASK E)

According to Terms of Reference the Consultant shall assist the PIU in the implementation of project development, in particular civil works in accordance with ADB's 2009 Safeguard Policy. The Consultant shall assist the PIU in managing the environmental, social and gender risks associated with the implementation of the project and provide recommendations for minimizing, mitigating and, if not avoiding, potential adverse impacts.

3.5.1 Social Safeguards Monitoring

The main purpose of monitoring social safeguards under the Project is to provide an assessment of involuntary resettlement issues, taking into account any negative potential project impacts or any other social issues that may arise during project implementation. Monitoring and evaluation of social safeguards in the reporting period were aimed at confirming that project implementation does not lead to violation of the requirements of the ADB's Safeguard Policy.

During the reporting period the monitoring of social safeguard issues was carried out by the Social Protection and Development Specialist of PIU Consultant, only concerned the civil works that going on the new landfill. There are no pending land acquisition and resettlement issues, ADB SPS, 2009 requirements are compliant with, as well as applicable laws and regulations of Uzbekistan, compensation and provide other resettlements entitlements before physical or economic displacement for affected person. In 2023 there was a minor change in the access road alignment which was provided from the government reserved land. The final design of the access road had been approved by the state expertise in September 2023 and works is underway.

The initial project document for social protection monitoring is the Land Acquisition and Resettlement Plan (LARP) prepared in 2012 for the construction of a new landfill in Akhangaran district of Tashkent region. In accordance with the ADB Safeguard Policy, the LARP was published in 2013 and has been updated from time to time. Protective and mitigating measures under the LARP included the following:

- (i) land on account of land compensation;
- (ii) compensation for lost crops and profits;
- (iii) compensation to 4 workers of the affected leasehold farm (loss of income/livelihood of workers).

Based on the Decree of the Cabinet of Ministers No. 895 dated November 1, 2018, the South Korean company "Sejin G&E Co., Ltd" shall implement a waste-to-energy project on the existing dumpsite in Akhangaran district of Tashkent region. No physical progress of the project was observed during the reporting period, and it seems the further implementation of the project is suspended. The Executing Agency of the project is the Ministry of Ecology, Environmental Protection and Climate Change (former SCEEP). According to the GoU resolution SUE Maxsustrans shall hand over to the Ministry of Ecology, Environmental Protection and Climate Change of Uzbekistan the existing dumpsite for further operation by 1 September 2024. Until this date the new landfill shall be ready for operation and acceptance of solid waste from Tashkent city collected/transferred by SUE Maxsustrans.

3.5.2 Environment Safeguards Monitoring

In accordance with the Loan and Project Agreement for L3067-UZB: Solid Waste Management Improvement Project, Maxsustrans and PIU are required to ensure that:

- (i) the Project is constructed and operated in accordance with national environmental regulations and guidelines, the ADB Environmental Policy (2002) and the Initial Environmental Assessment Report (EAR);
- (ii) any adverse environmental impacts arising from the construction and operation of the project facilities are minimized through the adoption of mitigation measures; and
- (iii) the implementation of the Environmental Management Plan (EMP) and violations of safety or environmental standards, if any, be regularly reported to ADB.

The environmental safeguards review mission of ADB for selected projects in the Agriculture, Food, Nature and Rural Development, Water and Urban Development, and Human and Social Development sectors of Uzbekistan was carried out during 16-24 May 2024. After this mission the ADB experts Ms. Ma. Roserillan S. Robidillo, Senior Safeguards Officer and Mr. Anik Ajmera, International Environment Consultant joined to ADB Loan review mission of the SWMIP (27 – 31 May 2024) led by Mr. Xijie Lu, Urban Development Specialist.

On 27 May 2024, the Mission visited the (i) sanitary landfill, (ii) waste collection and transfer station, and the (iii) garage, where ADB-funded waste collection trucks are stationed. A few non-conformances to health and safety of workers handling the waste were observed at the transfer station. Maxsustrans was advised to immediately address the proper use of PPEs including the use of protective masks and hand gloves. It was also agreed that Maxsustrans will ensure compliance to the following required reporting prior to project closing: (a) Semi-Annual Environmental Monitoring Report, Jan—June 2024 (by 31 July 2024), to include activities during the monitoring period and activities relating to the transfer station and fleet management. Environmental safeguards and monitoring for the operational phase should be included; (b) Final Environmental Monitoring Report (FEMR) (by 31 December 2024), to include activities related to the completion of the access roads and support infrastructure and activities related to the operations of the sanitary landfill. The FEMR will cover all elements indicating project performance for implementation of environmental safeguards during implementation; (c) Post-construction Environmental Audit Report (by 1 October 2024), to include details of the decommissioning works with photo-documentation; and (d) Operations Manual, prior to the operations of the landfill. Operations Manual should include environmental safeguards requirements and monitoring plan. Operational staff should be trained with photo documentation of the training included in the FEMR. Health and Safety and Traffic Management Plans for the landfill operations should also be prepared with training provided to staff.

The Consultant prepared the Semi-Annual Environmental Monitoring Report, January—June 2024, which was submitted to PIU and ADB on 5 August 2024. This monitoring report is under review by ADB safeguard experts and describes the implementation of the environmental monitoring and mitigation measures during the SLF construction as specified in the EMP of the Project. The activities relating to the transfer station and fleet management addressing to compliance to health and safety of workers handling the waste will be reported in the FEMR. The main focus of environmental safeguards monitoring on SLF site was compliance of the Contractor with the safeguard measures specified in the Site-Specific EMP. The

environmental specialists of PIU Consultant and PIU have visited the site to check the compliance with the environmental safeguards and monitor the status of the mitigation measures (if any) as specified in the monitoring reports updated regularly by the Consultant and reviewed by PIU and ADB's Project team.

The ADB environmental experts Ms. Ma. Roserillan S. Robidillo and Mr. Anik Ajmera conducted a joint coaching session on environmental safeguards requirements and reporting for staff of PIU, Contractor and PIU Support Consultants of Loans 3067, 3903, and 3958 on 30 May 2024. A total of 16 participants attended the session.

3.6 MEDIA AND PUBLIC RELATIONS (TOR TASK F)

The Consultant assisted the PIU in becoming aware of the environmental and social risks that could potentially be affected by project implementation activities. During the reporting period, there were no public relations activities and public consultations with potentially affected persons, such as a farmer or local residents living in the area of the new landfill in the Akhangaran district of the Tashkent region. As reported before, the latest review of the state of affairs has confirmed that the project will not require land acquisition and involuntary resettlement for the construction of a new landfill in the Akhangaran region. No potential environmental, social and property risks were identified during the construction works in the past reporting period.

The website of SUE "Maxsustrans" was updated with the project activities information (procurement, finance and in general). The Consultant has assisted to establish a grievance mechanism for the project for the public and potential affected persons (if any). All project related information, documents and reports are available on the website of SUE "Maxsustrans" and are regularly updated in Russian, Uzbek and English.

3.7 OTHER SERVICES AND TASKS PERFORMED BY THE CONSULTANT

In addition to main activities above, the Consultant has performed the following tasks:

- Assistance in drafting letters, formal requests, ad-hoc reports and other documents on progress, issues and CAD projections of the Project upon request of Maxsustrans, PIU and ADB;
- Assistance in organization and conduction of meetings of the Tashkent City's Procurement Commission relating to the bidding process of the additional packages G7R and G8R, including preparation of minutes of meetings and other information as requested by members of the Procurement Commission;
- Assistance in communication and reporting to the local Governmental agencies (MIIT, MOEF, TCM, etc.) on the project progress and current implementation issues;
- Coordination and communication with the Supervision Consultant (CUCD) on the contractual and administrative issues of the works contract CW1R;
- Participation in field mission of ADB team for review of loan and safeguard compliance, assistance in review or updating the mission document.

4 **ACTIVITIES PLANNED FOR THE NEXT REPORTING PERIOD**

In the next reporting period (July – September 2024), the Consultant intends to conduct the following activities:

4.1 **PROJECT MANAGEMENT (TASK A)**

The updated Project Implementation Schedule and the SLF Construction Schedule until end of 2024 are provided in **Annex 3 and Annex 4**. The Consultant will continue its assistance at project management tasks (planning, monitoring, evaluating and reporting on implementation progress) and support the Client and the PIU in coordinating and interacting with the SLF Construction Supervision Consultant, as well as with local authorities regarding progress, planning, monitoring and reporting on project development activities. The Consultant will support to the PIU on accounting and financial management matters related to disbursements, withdrawal applications, financial and audit reports of the Project.

The following reports and key outputs to be expected from the Consultant during the next quarterly reporting period:

Deliverable acc. to Contract	Submission deadline	Consultant's Responsible person
Quarterly progress report for the 3. Quarter 2024	15 days after the end of 3. Quarter	Deputy Team Leader with support of national experts
Support in procurement process	As and when needed	National procurement specialist with support of DTL
Withdrawal applications	As and when needed	Accountant
Other assistance and ed-hoc reporting of Client/PIU	As and when needed	Consultant's whole team
Support to PIU to conduct advance preparation in terms of data collection and report drafting for the Project Completion Report (PCR) following the ADB template	As and when needed	Deputy Team Leader with support of national experts

The last ADB Mission also discussed with Maxsustrans and PIU on the need, requirements, and importance of preparing the Project Completion Report (PCR). The sanitary landfill, being the first facility of its kind in the Central Asia Region, is a good case to highlight in the PCR and has potential demonstration effects.

4.2 **PROCUREMENTS (TASK B)**

The Consultant will assist PIU and the Client to complete the negotiations with the Supervision Consultant in order to finalize the Amendment No. 4 to the Contract Cons_2. The necessary documentary support and communication will be provided to local authority (MIIT and Tashkent City Municipality) upon demand.

With regard to additional goods packages G7R and G8R, the Consultant will support the Client and PIU in properly finishing and reporting the selection process upon decision of the Tender Commission of the City of Tashkent.

4.3 **CONSTRUCTION SUPERVISION AND MONITORING (TASK C)**

According to the revised Terms of Reference of Amendment No. 7 this task cancelled for the service period from January to December 2024, because no input of the national Supervision Specialist (NK-1) is planned for 2024. This task is performed by engineers of the SLF Supervision Consultant (CUCD) only.

The Deputy Team Leader of the Consultant will assist to PIU and Maxsustrans in communication with the Contractor and the Engineer on the current construction issues and resolving/clarification of technical and financial matters, and if necessary participate in the weekly meetings on construction progress in the engineer's office on site.

4.4 ADMINISTRATION OF CONTRACTS (TASK D)

The Consultant will assist the Client and PIU in further administration of the on-going contracts CW1-R, Cons_2, and Cons_9.

WORKS	Description of activity
CW1R	Review of interim payment certificates, checking the Contractor's requests on technical and other matters. Participation in site meetings on works progress and in negotiations on the contract variation. Support in checking the construction completion certificates and others to be submitted acc. to FIDIC contract CW1-R.
SERVICES	Description of activity
Cons_2	Support in the finalization and signing of Addendum No. 4 to the contract, assistance to Maxsustrans in submission of formal request to ADB and local authority for review and approval of Addendum No. 4.
GOODS	Description of activity
G7R – G8R	In case of contract award, support the Client and PIU in contract negotiations, including the tax issues and delivery schedule. In case of cancel of the bid, support in revision of Bid Evaluation Report and agreement with City and ADB.

4.5 IMPLEMENTATION, MONITORING AND EVALUATION OF SAFEGUARDS (TASK E)

The Consultant will continue to assist the Client and the PIU in monitoring safeguards issues under the Project. This activity will include monitoring compliance with ADB's environmental and social safeguard policy, in particular at the construction phase of the new sanitary landfill. The Consultant will assist the Client and the PIU in understanding the environmental and social risks that could potentially be affected by project development activities.

It should be noted that social safeguards monitoring means monitoring the Project's Land Acquisition and Resettlement Plan, in particular all aspects and progress of the land acquisition process for the new landfill, as described in the paragraphs above. If the Project is re-classified from Involuntary Resettlement Category B to C and ADB approves this, LARP monitoring will be stopped. However, the next monitoring step is the development of social monitoring indicators during the construction phase (Contract CW1R). Social security tasks at the construction site are included in the scope of work of the Contractor CW1. The Contractor shall consider the implementation and monitoring of social and gender issues and the PIU Consultant will follow up this. Gender aspects are monitored by PIU's focal person and reported to ADB accordingly.

Monitoring of social safeguard issues for the next quarter and for the entire period of the Project will be summarized in the Project Completion Report to be submitted to the first review by ADB before the end of 2024.

4.6 MEDIA AND PUBLIC RELATIONS (TASK F)

The Consultant will guide the Client and PIU in conducting public and media relations activities during the reporting period, and as part of this work will assist the Client in posting relevant progress reports on the Maxsustrans website.

With regard to gender and social dimensions monitoring - The project is categorized as Some Gender Element (SGE) and has no gender action plan (GAP). The following is the gender indicator in the DMF *“campaign to raise awareness of waste segregation reaches 90% of households, with the participation of female members of households.”* This is reflected in the “Gender Action Plan” developed by the EA. The PIU has a gender focal person in place to coordinate the activities on a regular basis under the guidance of URM gender specialist.

The Consultant will assist to PIU in implementation of tasks mentioned in Aide Memoire of the last mission of ADB carried out during 27-31 May, 2024 (item 13). In particular, considering the remaining time for project implementation and in anticipation of the preparation of the project completion report, it is important to report on the gender indicator of the DMF, specifically to document the following:

- i. number of female consumers who have undergone awareness raising programs on solid waste management and the areas covered and
- ii. number of women's committee representatives who have conducted the outreach training programs and the areas covered.

Within six (6) months prior to project completion (July – December 2024), a short, quick survey should be conducted among the women consumers in the communities to inquire on: (i) their awareness/knowledge of specific good practices on SWM that they have acquired from the outreach awareness raising programs, and (ii) application of the good practices/behavior change in solid waste management. Also focus group discussion among women employees should be conducted by the project gender focal on perception on the impact/benefits of the provisions/ measures on their lives (annual medical examination, accident insurance, working clothes/protective equipment, improvement in working conditions).

5 USED STAFF INPUT AND CONSULTANT BUDGET

During the reporting period, the Consultant did not submit the interim invoice for payment by the Client. Total input of experts spent during the 2. Quarter 2024 is **4.70 per/mon** for the total remuneration of \$17,551.20. As per Amendment No. 7 the rest input is 9.02 per/mon for the remaining 6 months of this contract (until 31 December 2024).

The remaining budget of the Consultant for the next 6 months of the Project is **\$36,465.41**, of which \$33,913.99 – remuneration of experts and \$2,552.02 – reimbursable expenses and other sums.

ANNEXES