

Signing of Japanese ODA Loan with the Republic of Uzbekistan

–Assisting Uzbekistan and neighboring countries including Afghanistan through enhanced railroad transportation capacity–

1. Today, the Japan International Cooperation Agency (JICA) signed an agreement with the Government of the Republic of Uzbekistan in the capital of Tashkent to provide a loan of up to 18.067 billion yen for assistance for the Karshi-Termez Railway Electrification Project.

2. The objective of the project is to address the demand for freight transportation (which is expected to increase) and to make freight transportation more efficient by electrifying the interval between Karshi and Termez (a total of 325 kilometers) along the rail line in the southern part of the Republic of Uzbekistan toward Afghanistan. This project will also contribute to socioeconomic development in Uzbekistan and neighboring countries including Afghanistan. Financing for this project will be allocated to the procurement and installation of equipment and materials for constructing transformer substations and laying overhead and transmission lines. Funds will also be allocated to expenses for consulting services (basic and detailed design for equipment and material procurement and installation, tender assistance and work monitoring).

3. With the largest population of any country in Central Asia, Uzbekistan borders all other Central Asian countries, as well as Afghanistan to the south, and it is in an important area for traffic flowing north-south and east-west. Uzbek domestic railroad passing Karshi-Termez line, which includes the newly opened Tashguzar-Kumkurgan line constructed by another Japanese ODA loan signed in 2004, is the sole train line that travels from Uzbekistan to Afghanistan going through any other countries, and plays a vital role in freight transportation to Afghanistan. The rail freight transportation volume along that line has been showing an increasing trend in recent years as the demand for freight transportation has increased with the economic growth of Uzbekistan and the reconstruction of Afghanistan. In addition, through assistance from the Asian Development Bank (ADB), a new Afghanistan domestic railroad was completed in 2011 from Hairatan, the Uzbekistan border city, to Mazar-i-Sharif, the largest city in northern Afghanistan, and it became easier for freight transportation from Uzbekistan to Afghanistan. It is predicted that the demand for rail transportation will grow even more in the future. Increasing the transportation capacity with a two-track line, however, is difficult between Karshi and Termez because the area includes a continuous mountainous region in which the average gradient between stations is more than 15 per mille.* A plan has therefore been created to meet the freight transportation demand by changing from the current diesel traction to electric traction with its higher hauling capacity.

* One part in a thousand. A gradient of 15 per mille means a rise or drop of 15 meters for every thousand meters moving forward.

4. As described above, the target interval includes a mountain district, and the demanding topography includes sharp turns and high grades. As Uzbekistan Temir Yollari, the executing agency of the project, has little experience operating mountain railroads, a technical cooperation project is also planned to be implemented. In that project, accurate information on the track shape will be obtained and guidance will be provided on formulating a suitable train operating plan with the aim of improving the operating capacity of mountain railroads.



Signing ceremony

Reference

1. Terms and Amounts of Loan

Project title	Amount (million yen)	Annual interest rate (%)		Repayment (years)	Procurement
		Project	Consulting services		
Karshi-Termez Railway Electrification Project	18,067	1.2	0.01	30/10	General untied

2. Project Summaries

Karshi-Termez Railway Electrification Project

Executing Agency

Uzbekistan Temir Yollari
Address: 7, T.Shevchenko str. Tashkent, 100060, Republic of Uzbekistan
Phone: +998 (71) 238-8028, fax: +998 (71) 233-6924

Planned Implementation Schedule

- (i) Completion of project: July 2017 – when the facilities go into service
- (ii) Issuing of letters of invitation for consulting services (including detailed design work): March 2012
- (iii) Tender announcement of initial procurement package for international competitive bidding on project construction:
Procurement package title: Procurement of Vehicles and Machinery
Release date: December 2012