

Signing of Japanese ODA Loan Agreement with Uzbekistan

—Constructing a Combined Cycle Co-generation Power Plant, Improving Reliability and Efficiency, and Reducing the Environmental Burden—

Today, the Japan International Cooperation Agency (JICA) signed a Japanese ODA loan agreement with the Government of the Republic of Uzbekistan in the capital of Tashkent to provide a Japanese ODA loan of up to 34.877 billion yen for assistance for the Navoi Thermal Power Station Modernization Project.

By replacing obsolete equipment at the Navoi thermal power station in southern Uzbekistan and installing a gas combined cycle co-generation power plant, the project aims to improve energy efficiency and power supply reliability, contribute to sustainable economic development, reduce the amount of use of natural gas and emission of carbon dioxide. Funds for the loan will be allocated to construction of the plant and related equipment, as well as consulting services (detailed design work, bidding assistance and construction monitoring).

With approximately 28 million people, Uzbekistan has the largest population of any country in Central Asia and has played a central role in the region since the Soviet era. In recent years, the country has maintained steady economic growth in excess of 7 percent mainly due to favorable market conditions for natural gas, raw cotton and other export products that Uzbekistan produces. About nine-tenths of the nation's power supply is supplied by 10 thermal power stations located around the country, but they have lost significant capacity and reliability in power supply, with the power generation capacity dropping around 30 percent after long-term operation of 40 to 50 years. The old equipment is not energy efficient and a major factor in the growing consumption of natural gas, the main fuel used for power generation, and the increasing amount of carbon dioxide emissions.

The Navoi thermal power station, which is the target of this project, is located in Navoi Province, an important mining base for Uzbekistan, and since the plant began operation in 1963, it has not only supplied power throughout the country but heat to general homes, state-run enterprises and other facilities in the area. In this project, high-efficiency power generation equipment will replace the obsolete equipment, reducing the environmental burden while improving the stability of power and heat supply, which will improve the lives of people in the region and support economic development.

In greater detail, the new equipment has higher power generation efficiency than older models, and as the new equipment uses less natural gas as fuel and emits fewer carbon dioxide emissions, it is environmentally friendly. Advantages such as these have brought a focus on gas combined cycle technology in recent years and led to its adoption for this project. The equipment constructed with this project will recover the heat discharged as waste heat during power generation and use it to supply industrial steam and offer central heating, which should result in an overall high energy efficiency.

The Government of the Republic of Uzbekistan has made it a priority to achieve efficient use and stable supply of energy through modernization and development of power plants utilizing the country's plentiful natural gas resources. JICA will continuously place importance on power sector development in terms of realizing the lower environmental burden and high energy efficiency for further economic development of Uzbekistan.

Reference

1. Terms and Amounts of Loans

Project title	Amount (million yen)	Annual interest rate (%)		Repayment period (years)	Grace period (years)	Procurement
		Project	Consulting services			
Navoi Thermal Power Station Modernization Project	34,877	0.30	0.01	40	10	General untied

2. Project Summaries

Executing Agency

State Joint Stock Company "Uzbekenergo"

Address: 100000, Tashkent city, Khorezm st. 6

Phone: +998-71-233-98-21, fax: +998-71-236-27-00

3. Planned Implementation Schedule

(i) Completion of project: May 2018 – when the facilities are put into service

(ii) Issuing of letters of invitation for consulting services (including detailed design work): June 2013 (already sent)

(iii) Tender announcement of initial procurement package for international competitive bidding on project construction:

Procurement package title: EPC Contract for Combined Cycle Power Plant and Modification of Substation and Transmission

Release date: May 2014



Kae Yanagisawa (left), director general of the JICA East and Central Asia and the Caucasus Department, and Rustam Azimov (right), first deputy prime minister and minister of finance, at the signing ceremony