
UZBEKISTAN INKS NEW 20-YEAR, 1000 MILLION FDA LOAN TO BOOST HYDROPOWER SECTOR

-

31.08.2020

New Europe (28 August 2020)

Uzbekistan Energy Ministry announced on August 27 that a 20-year loan agreement, worth 1000 million, has been signed with the French Development Agency (FDA). The loan facility will finance a series of projects in Uzbekistans hydropower sector.

According to Uzbekistans Energy Ministry, the loan agreement complements Uzbekistans ambitious national energy strategy to generate a quarter of all electricity from renewable sources by 2030, including 3.8 GW of hydro energy. Uzbekistan is implementing several ongoing investment projects to construct new hydropower plants (HPP) and modernize existing ones.

The 1000 million loan will be used as follows: 1000 million will contribute to a 1000 million project to construct a small HPP in Tashkent and assist construction of a small HPP 1A and HPP 2A in the Southern Fergana Canal; 1000 million will contribute to a 1000 million project Safety of HPPs to be implemented at the Charvak HPP, the ministry said.

Successful completion of these projects will yield production of additional cheap and environmentally friendly electricity, increase hydropowers share in the countrys energy balance, save fuel resources and meet the growing demand for electricity, Uzbekistans Energy Ministry said.

With the support of international partners such as the FDA, Uzbekistan is making great strides towards its ambitious renewable energy goals for 2030. The Ministry of Energy would like to place on record its thanks to the FDA for their support and their public vote of confidence in its ongoing efforts to reform and modernize the countrys energy sector, the ministry said.

Feasibility studies for the projects were developed by a consortium of consultants: ISL, IED and R-plus, on behalf of the FDA. Loan contributions will support the purchase and construction of modern technological equipment via a tender process in line with FDA procedures.

The FDA part-financed projects are part of an ongoing initiative by JSC Uzbekhydroenergo, the state hydropower producer and developer, called Project Factory promoting the development and implementation of new investment projects based on modern technologies. The total of 23 projects with projected capacity of 907.5 MW, worth \$1.37 billion are currently underway.

By the end of 2020, it is expected that seven projects with additional capacity of 118.3 MW will have been commissioned.

<https://www.neweurope.eu/article/uzbekistan-inks-new-20-year-e55-8-million-fda-loan-to-boost-hydropower-sector/>

Kaynak/Source: