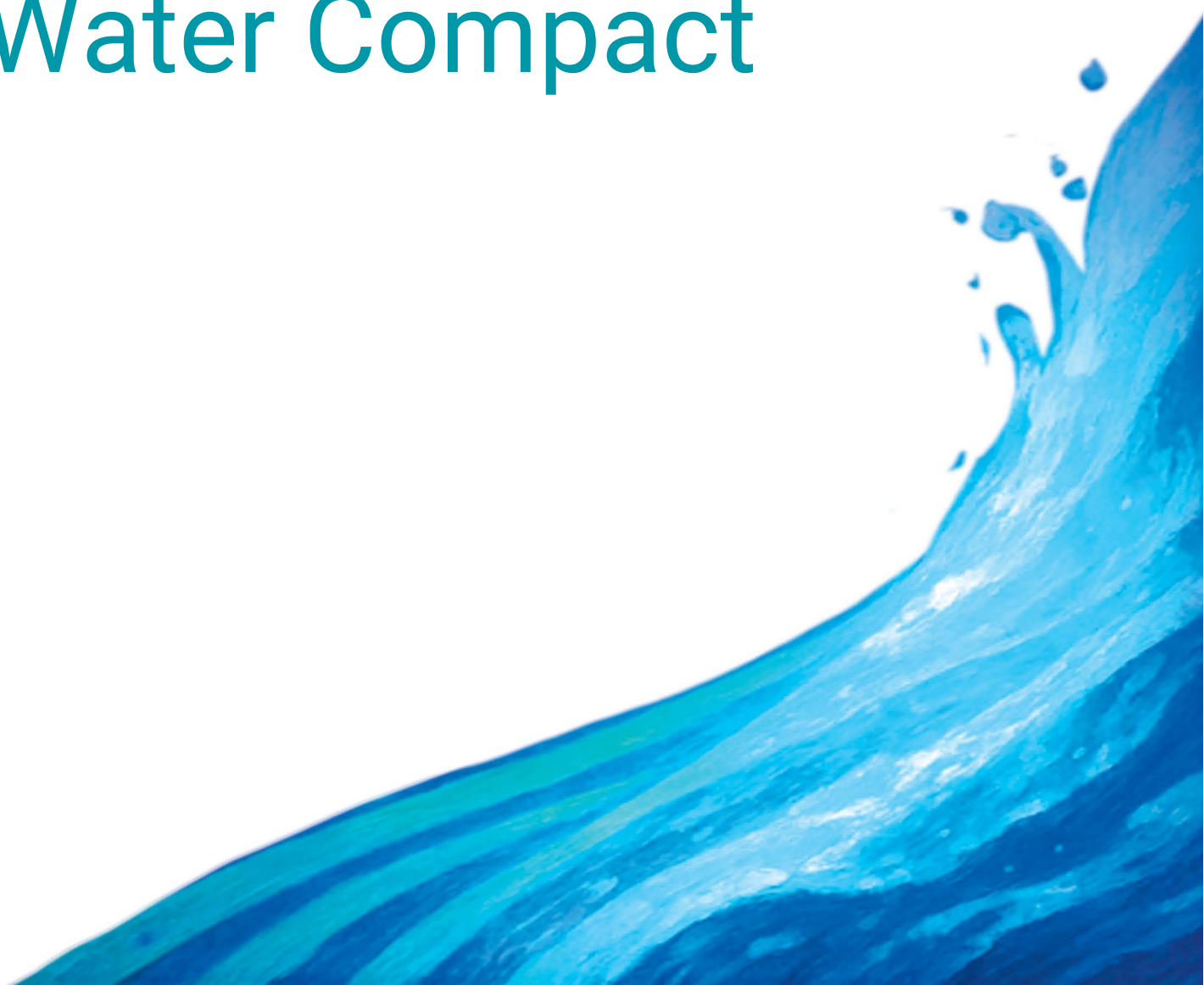


WATER FORWARD
Uzbekistan
Water Compact



**Memorandum of Intention to implement Water Forward between
the World Bank Group and the Republic of Uzbekistan
for 2026-2030**

National Water Forward Strategy of Uzbekistan (2026-2030)

1. Introduction

The National Water Forward Strategy of Uzbekistan (hereinafter referred to as the Uzbekistan Water Forward) is a strategic initiative of the Government of Uzbekistan aimed at ensuring water security, increasing productivity and efficiency of water management system in the context of climate change. The Uzbekistan Water Forward is expected to contribute to human capital development, boost agriculture productivity and enhance climate resilience.

The strategy is implemented within the framework of the **World Bank Group's Water Forward**, aimed at building a water-secure future – for People, Food, and Planet. The Strategy integrates public policy and institutional reforms, and major investment projects into a single coordinated platform to achieve the national water sector targets by 2030. It relies on a partnership framework that prioritizes and leverages both public and private capital and expertise to increase investment efficiency and impact of water sector interventions.

2. Strategic context and rationale

Water is an essential enabler of economic growth, human capital and climate resilience in Uzbekistan. Key water reliant sectors include agriculture, textiles, metals and hydropower. Agriculture consumes more than 90 percent of total water abstraction in the country, followed by water supply, and industries (including energy) at 4.5 and 4.3 percent respectively.

The country faces serious climate vulnerability and water scarcity threat. Renewable internal freshwater resources per capita declined by 25 percent in the last 20 years and are among the lowest in the region. This is compounded by increasing salinity, high water and energy losses, largely driven by the infrastructure deficit and inadequate water management systems. Current infrastructure financing needs are at least six times higher than the historical spending; and tariffs are below full cost.

Access to water supply has expanded significantly over the past 20 years, with at least 80 percent of the residents relying on piped safely managed water supply services. However, sanitation access remains relatively low, with only 27.1 percent covered by centralized sewerage systems, with functioning wastewater treatment. Access is lower in rural areas where only about 70 percent of the residents have access to safely managed water supply.

The proposed Strategy is based on the priorities of the current state policy and is closely linked with the following national regulatory documents:

- Water Code;
- Strategy "Uzbekistan – 2030"; is linked with Sustainable Development Goals
- The concept of water management development for 2020-2030;
- Annual programs for irrigation and drinking water supply and sanitation.

3. Objective

To improve water security in Uzbekistan through sustainable, resilient, and financially sound water infrastructure and services. The Strategy is also expected to help Uzbekistan mobilize public and private capital to support the water sector transformation journey into a leading country in knowledge development and digital water management solutions in Central Asia.

4. Basic principles

The strategy is based on the following principles:

- Ensure the sustainability and efficiency of water and energy resources;
- Ensure equitable access to water services for all.
- Promote gradual cost recovery
- Harness the potential of digitalization
- Promote good governance and transparency of water services;
- Enable climate change adaptation and mitigation;
- Promote results-based financing where feasible;
- Expand private sector participation in the industry.

5. Main target indicators achieved within the framework of the strategy

- Increase water security for at least 3,8 million people by 2030 through:

Table1. Indicative Number of people water secured 2026-2030

	2026	2027	2028	2029	2030	Total
Water for People	100,000	150,000	150,000	150,000	200,000	750,000
Water for Food	250,000	350,000	450,000	500,000	650,000	2,200,000
Water for Planet	100,000	150,000	200,000	200,000	200,000	850,000

- Increased access to irrigation services for 2,2 million people, including 80,000 agroclusters and farms, 525,000 individual farms, and 6,200 neighborhoods.
 - 1.7 million hectares of irrigated land equipped with Water saving technologies;
 - Modernization of 10,9 thousand km of major and main canals, 26,4 thousand km of open and 17,9 thousand km of closed collector-drainage; and
324 pumping stations will be modernized
 - 315 mln m³ of additional storage
 - Construction and upgrade of water supply systems, including 21,500 km of water supply networks and associated water treatment facilities and 671 pumping stations.
 - Construction, upgrade and expansion of sewerage systems, including 10,000 km of sewerage networks, and associated treatment facilities.
- Improved water services efficiency with the reduction of irrigation losses by 25 percent and water supply losses by 30 percent.
 - Digitalization of 200,000 water intake points of farms
 - Upgrade of pumping stations to ensure the reduction in annual electricity consumption from 6.5 billion kWh to 6.0 billion kWh;
- Increase the water services delivery capacity.
 - Implement targeted skills and professional development programs for irrigation and water supply, targeting 5 500 water sector professionals.
 - Introduce sector performance management systems linked to sector performance indicators and targets.
- Increase the financial sustainability of water services.
 - Mobilize at least 1,27 billion dollars in foreign investment coupled with innovative technological and knowledge solutions.

6. Size and structure of the investment package (2026–2030)

The estimate cost of the proposed investments under the Uzbekistan Water Forward is US\$ 10 billion, including:

state budget — US\$ 1,3 billion;

- foreign investments and IFIs — US\$1,27 billion;
- initiatives' funds — US\$ 1.25 billion;
- Funds of system organizations — US\$ 0.03 billion;

Table 2. Indicative financial resources needed

Source	Sub-total	State budget	International financial institutions	Private capital	Other sources	Financing gap
Total	10,00	1,31	1,275	1,25	0,03	6,10
Water for people	2,20	0,02	–	–	–	1,50
Water for food	6,40	1,03	1,09	1,25	0,03	3,70
Water for planet	1,40	0,26	0,185	–	–	0,975

The World Bank will mobilize an additional US\$500 million to help crowd in additional financing from other development partners and leverage private capital to fulfill the strategy goals. Sector allocations will be confirmed annually through the Government Investment Plan, as per roadmap presented below.

Most of the strategy benefits will be accrued through the food pillar, with access to irrigation services, including farmers directly benefiting from irrigation interventions and people benefiting from improved food security and nutrition. Water and sanitation investments will promote a universal access approach at the district and province level.

7. Key Components

7.1. Water for food: modernization of irrigation infrastructure and services

- Canal lining for main channels;
- Conversion of internal irrigation networks to piped systems;
- Upgrading of pumping stations with energy-saving technologies;

7.2. Water for People: Increasing Access to and Reliability of Services

- Construction, upgrade and expansion of water supply and sewerage systems
- Development and implementation of customer engagement platforms to increase accountability and transparency in water supply services;
- Upgrading of pumping stations to energy-efficient technologies;
- Asset digitalization and management.
- Skills and capacity development

7.3. Water for the Planet: Enhance Climate Adaptation

- Construction of new water reservoirs;
- Upgrade of collector and drainage networks;

- Groundwater registry and monitoring.

Thus, it will increase incomes of the population, increase the volume of agricultural products and alleviate water shortages, as well as create sustainable jobs in rural areas and positively affect the overall economic stability of the country.

8. Commitments to reform agenda

- Develop and adopt the National Water Strategy until 2050, including;
- Tariffs reforms to gradually enable cost recovery;
- Corporatization of the regional water utilities to enhance operational and financial sustainability;
- Introduce an investment prioritization framework to enhance selectivity and investment efficiency, including for private sector engagement;

9. Implementation and coordination

Main implementing agencies: Ministry of Water Resources of the Republic of Uzbekistan, Joint Stock Corporation UzSuvtaminot

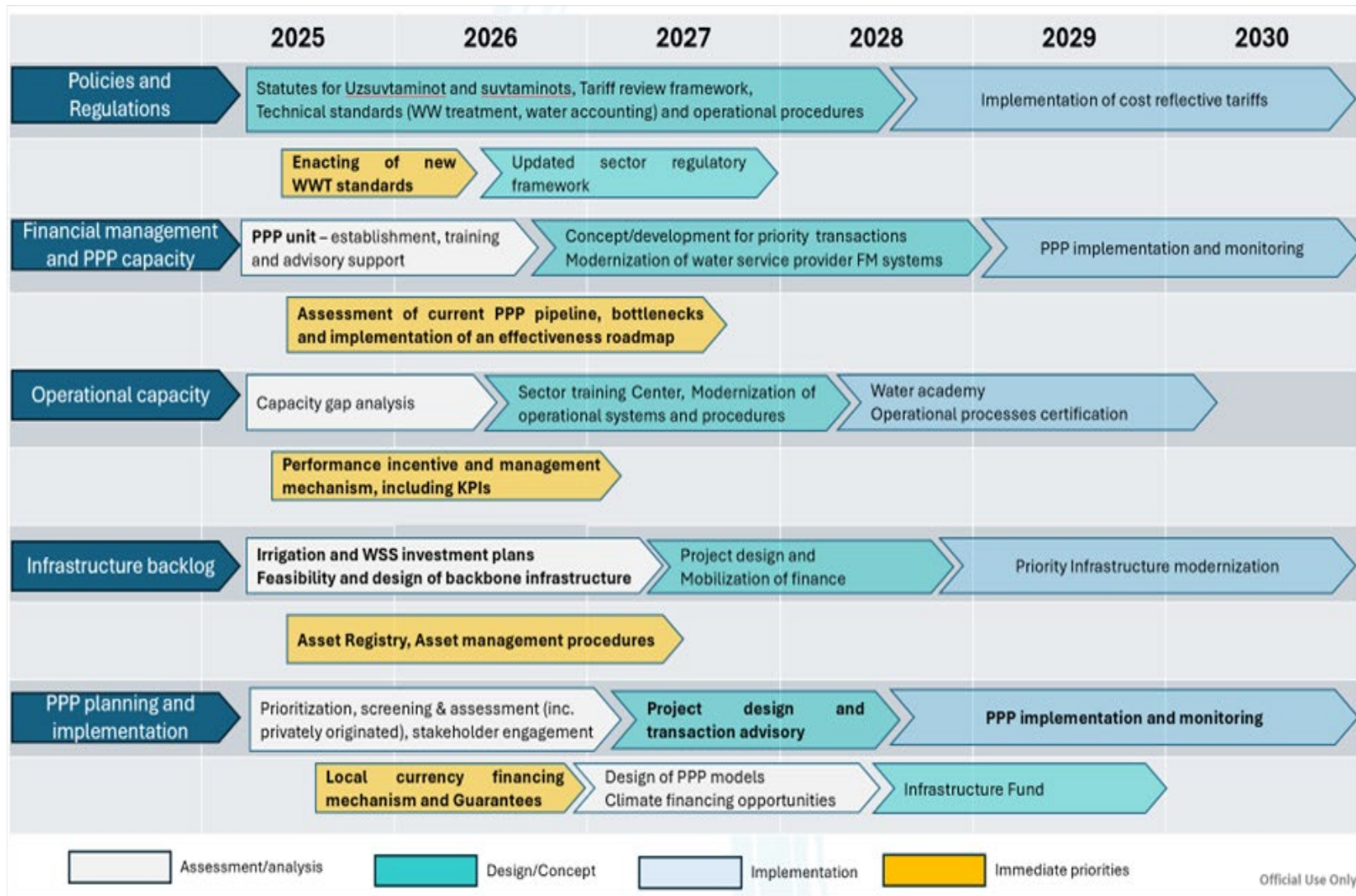
Main partners: the Ministry of Economy and Finance, the Ministry of Investments, Industry and Trade, development partners like WBG, AsDB, EBRD, the private sector and international financial institutions.

Conclusion

The National Water Forward of Uzbekistan is a single national agreement combining reform, investment and results in the water sector aimed at ensuring sustainable water security with the participation of the private sector and international partners without excessive burden on the state budget.

This Strategy serves as the basis for launching water sector reforms of Uzbekistan into model at the regional level.

Proposed Roadmap under Water Forward





Indicative. Water Compact related indicators from Uzbekistan Strategy – 2030 (President Decree No.21 dated February 16, 2026)

Pillar 1: CREATING DECENT CONDITIONS FOR REALIZING THE POTENTIAL OF EVERY PERSON										
№	Purpose	Target performance indicators	Baseline	By Year					Sources of funding*	Agency responsible for performance indicator
			2025	2026	2027	2028	2029	2030		
1	Upgrading Preschool Education and Reaching Full Coverage	3.Coverage 100 % of clean drinking water and modern sanitation facilities	80%	90%	93%	96%	98%	100%	State budget, international financial institutions, private sector, sponsorship and grant funds	Council of Ministers of the Republic of Karakalpakstan, khokimiyats of regions and Tashkent city, Ministry of Pre-School and School Education
	Implementation of the program "Favorable Environment for Education" in the system of preschool education.	4.Coverage 86 % of clean drinking water and modern sanitation facilities to preschool education institutions based on UNECE based The Three Star Approach (TSA) for WASH in Schools	30%	44%	55%	66%	76%	86%	State budget, international financial institutions, private sector, sponsorship and grant funds	Council of Ministers of the Republic of Karakalpakstan, khokimiyats of regions and Tashkent city, Ministry of Pre-School and School Education
2	Implementation of the program "Favorable Environment for Education" in the system of general secondary education.	5.Coverage 86 % of clean drinking water and modern sanitation facilities to general education institutions based on UNECE based The Three Star Approach (TSA) for WASH in Schools	30%	44%	55%	66%	76%	86%	State budget, international financial institutions, private sector, sponsorship and grant funds	Council of Ministers of the Republic of Karakalpakstan, khokimiyats of regions and Tashkent city, Ministry of Pre-School and School Education
Pillar 2: PROMOTING PROSPERITY THROUGH SUSTAINABLE GROWTH										
3	Securing stable and long-term financing	298. Increase the percentage of people with sustainable access to	82.8%	83.5%	84.8%	86.1%	87%	90%	State budget, international financial	UzSuvTaminot, Ministry of Construction and

	for infrastructure projects	drinking water services to 90 percent							institutions, private sector	Housing and Communal Services
4	Securing stable and long-term financing for infrastructure projects	299. Increase the percentage of people with sustainable access to sewerage services to 27 percent	20.5%	21%	21.5%	22.3%	24.3%	27.1%	State budget, international financial institutions, private sector	UzSuvTaminot, Ministry of Construction and Housing and Communal Services
Pillar 3: CONSERVING WATER AND PROTECTING THE ENVIRONMENT										
5	Improvement of culture of rational water use and water consumption efficiency in the republic	301. Improvement of water use efficiency by 25 percent	20%	21%	21%	22 %a	23%	25%	State budget, private, commercial banks	Ministry of Water Resources
		302. The efficiency conveyance of irrigation systems has been increased to 0.73	0,68	0,69	0,70	0,71	0,72	0,73	State budget, private, commercial banks	Ministry of Water Management, Ministry of Agriculture
		303. Ensure that all water consumers have 100 per cent water meters	84%	88%	91%	94%	97%	100%	State budget, private, commercial banks	UzSuvTaminot
6	Agricultural water management	304. Increase of the share of main and inter-farm canals with concrete pavement of 13.1 thousand km out of total length of 18.7 thousand km or coverage to 46 per cent	40%	41%	42%	43%	44%	46%	State budget, private, commercial banks	Ministry of Water Resources
		305. Reduction of saline land in irrigated areas to 1.7 million hectares by construction and reconstruction of drainage systems (thousand hectares / %)	1,850 thousand/ 43%	1,825 thousand / 42.4 %	1,800 thousand/ 41.8 %	1,774 thousand/ 41.2 %	1,748 thousand/ 40.6 %	1,722 thousand/ 40.0 %	State budget, private, commercial banks	Ministry of Water Resources, Ministry of Agriculture
7	Development of irrigation system and water-saving technologies, mainstreaming of private sector	306. Increase the number of water facilities transferred to management on the basis of public-private partnerships until 2183	1943	1979	2021	2073	2127	2183	Public budget and private sector funds	Ministry of Water Resources

	management and public-private partnership mechanisms	307. Water-saving technologies in agricultural areas (including laser level) are brought to 100 per cent	60%	65%	75%	85%	95%	100%	State budget, commercial banks, and private sector funds	Ministry of Water Management, Ministry of Agriculture
8	Introduction of "green energy" Reduction in electricity consumption of pumping stations	308. Install energy-saving devices, modernize pumping stations and reduce their annual electricity consumption to 6 billion kWh by 2030	6,400 billion kWh/hour	6,400 billion kWh/hour	6,300 billion kWh/hour	6,200 billion kWh/our	6,100 billion kWh/hour	6,000 billion kWh/hour	State budget funds	Ministry of Water Resources, National Agency for Energy Efficiency
		309. Increase share of energy efficient pumps to 30% and motors to 35%	19%/25%	20%/27%	22%/29%	25%/31	28%/33%	30%/35%	State budget funds	Ministry of Water Resources
9	Climate change actions	325. Coverage of early warning systems for extreme hydrometeorological events by 96%	86%	88%	93%	94%	95%	96%	various	Committee for Environment and Climate Change
		326. Improve forecasting reliability of mountain rivers by 98%	96%	96.40%	96.80%	97.20%	97.60%	98%	various	Committee for Environment and Climate Change
10	Air quality and protection	339. Ensuring the construction and reconstruction of 100% local wastewater treatment facilities at 425 enterprises and organizations of categories I and II that discharge wastewater into the environment	75	65	140	225	320	425	commercial entities	Committee for Environment and Climate Change