

ADB and ACWA Power sign deal wind power plants in Uzbekistan

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The Asian Development Bank (ADB) and ACWA Power Company (ACWA) signed \$174 million worth of loans to develop the Bash wind power and Dzhankeldy wind power plants, both located in the Bukhara region in Uzbekistan.

The financing comprises loans amounting to \$40.5 million for Bash and \$46.5 million for the Dzhankeldy funded through ADB's ordinary capital resources. ADB will also administer \$40.5 million for Bash and \$46.5 million for Dzhankeldy from Leading Asia's Private Infrastructure Fund (LEAP), administered by ADB.

Each power plant consists of 79 wind turbines, for a total of 158 turbines that will generate 3,235 gigawatt-hours and displace nearly 2 million tonnes of carbon dioxide equivalent a year. Together, Bash and Dzhankeldy will be the largest utility-scale wind power development in the Central West Asia region. The loans will also fund the construction of 282.5 kilometres of 500-kilovolt, single-circuit overhead transmission to connect to the power grid.

"Uzbekistan is one of the fastest-growing economies in Central Asia, and with it comes a growing demand for energy. This brings a unique opportunity to invest in decarbonisation and expansion of renewables in the country's energy mix," said Suzanne Gaboury, ADB Director General for Private Sector Operations. "Bash and Dzhankeldy are landmark greenfield wind power projects which have a significant demonstrative impact of private sector participation across the region's energy sector."

ADB has supported approximately 2,500 megawatts of renewable energy in Uzbekistan since 2019 after the country opened up the sector to private sector participants. The total cost of ADB's latest collaboration with ACWA is approximately \$1.35

billion.

Parallel lenders include the Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG), European Bank for Reconstruction and Development, OPEC Fund for International Development, and Proparco.

LEAP is an ADB-managed fund capitalised with a \$1.5 billion commitment by the Japan International Cooperation Agency. Established in 2016, LEAP focuses on delivering high-quality and sustainable private sector infrastructure projects that reduce carbon emissions, improve energy efficiency, and offer accessible and affordable health care, education, and communication services to ADB's developing member countries.

Bash and Dzhankeldy are special-purpose vehicles owned by ACWA Power, a regional leader in renewable energy. ACWA was established in 2008 and is a developer, investor, and operator of power generation and desalination plants, with 67 assets in operation, construction, or advanced development across 13 countries. ACWA's portfolio has a capacity of 43.4 gigawatts of power and 6.4 million cubic meters per day of desalinated water.