

Annual report on monitoring of protecting measures For FI operations

Project number: 3535-UZB

Reporting period: January - December 2021

Full country name: The Republic of Uzbekistan

Project name: "Affordable Rural Housing Construction Program - Result based lending with the participation of the Asian Development Bank"

Funded by: from ordinary capital resources Asian Development Bank

Prepared by: ESMS coordinator: B. Abdusalomov

Name of the organization: Joint Stock Commercial Mortgage Bank "Ipoteka Bank"

City, country: Republic of Uzbekistan, Tashkent

Executing agency: Ministry of Economic Development and Poverty Reduction of the Republic of Uzbekistan

Approved: Deputy Chairman of the Board
of JSCMB "Ipoteka-bank": J. Fayazov

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Part I. Introduction

The program for the construction of affordable residential buildings according to updated standard projects in rural areas for 2017-2021 was initiated by the government of the Republic of Uzbekistan in accordance with the decree of the President of the Republic of Uzbekistan from March 2, 2017 No. 2812 "On additional measures for the implementation of the Program on the construction of affordable residential buildings according to updated standard projects in rural areas for 2017-2021 with the participation of the Asian Development Bank".

In accordance with the Decree of the President of the Republic of Uzbekistan dated March 2, 2017 Loan Agreement No. 3535-UZB dated July 6, 2017 was signed between the Republic of Uzbekistan and ADB No. 2812. in the amount of USD 500.0 million, which entered into force on July 18, 2017.

The purpose of the Project is to support the implementation of the Program to increase the number of rural families that meet the criteria for social justice and receive benefits from affordable housing built to national quality standards in 9 regions of Uzbekistan: in the Republic of Karakalpakstan, Bukhara, Kashkadarya, Namangan, Samarkand, Surkhandarya, Tashkent, Ferghana and Khorezm regions in 2017-2021. The Loan Agreement provides for the construction 29,000 houses in these regions, with construction planned for the reporting year 9,996 houses.

A feature of the Program financing is the chosen financing mechanism - results-based lending, which provides for financing from the ADB based on the results of achieving the relevant targets for each specific ADB Leveraging Indicator (DLI).

Table 1

In accordance with the Loan Agreement, the project consists of the following two components:

No.	Project Components and Brief Description	million dollars
1.	Credit line for providing mortgage loans	499.0*
2.	Capacity building and project management support	1.0
	Total:	500.0

**) The distribution of ADB borrowed funds is carried out among the participating commercial banks in accordance with the concluded agreements on on-lending (National Bank - 179.0 million dollars, JSCMB "Ipoteka Bank" - 170.0 million dollars and JSCB "Qishloq Qurilish Bank" - 150 .0 million USD).*

In accordance with the requirements of the Decree of the President of the Republic of Uzbekistan for No. 2812 dated March 2, 2017. "On additional measures for the implementation of the Program on the construction of affordable residential buildings according to updated standard projects in rural areas for 2017-2021 with the participation of the Asian Development Bank "and the decision of the Board of the Bank of JSCMB " Ipoteka Bank " No. 15 dated January 20, 2017 the procedure for the work of subdivisions of JSCMB "Ipoteka Bank" on the system of environmental and social management was developed and approved within the framework of the housing construction program in rural areas with the participation of the Asian Development Bank.

In 2021 one of the indicators associated with the withdrawal of ADB borrowings (DLI-2) is the conclusion of at least 9,996 mortgage contracts with selected beneficiaries of the Program, of which at least 25% are women.

These 9,996 mortgage contracts were distributed among the three participating commercial banks as follows:

- JSCB "Qishloq Qurilish Bank" - 2,660 preferential mortgage loans;
- JSCMB "Ipoteka Bank" - 3,616 preferential mortgage loans;
- National Bank of Uzbekistan - 3,720 preferential mortgage loans.

At the same time, the distribution of mortgage loans issued under the Program with the participation of ADB in 2021, broken down by regions, massifs and the number of houses, was as follows:

Table 2

Distribution of mortgage loans issued JSCIB "Ipoteka Bank" in 2021 under the Program with the participation of ADB broken down by regions, massifs and number of houses

№	Region	Massifs	Number of apartments	5-storey 30 apartment houses		5-storey 20 apartment houses		9-storey 48 apartment houses	
				Number of houses	Number of apartments	Number of houses	Number of apartments	Number of houses	Number of apartments
TOTAL:			3 616	125	2 500	34	1 020	2	96
Republic of Karakalpakstan			260	4	80	6	180		
1	Amudaryo	Gulzor	30			1	30		
2	Bozatau	Bozatau	40	2	40				
3	Konliculus	Doslyk	30			1	30		
4	Nukus	Akmangit	40	2	40				
5	Takhiatosh	Halyklar Doslyk	60			2	60		
6	Khujayli	Kun-nuri	30			1	30		
7	Shumanay	Madeniyyat	30			1	30		
Bukhara region			260	7	140	4	120		
1	Bukhoro	Rabotak	80	4	80				
2	Jondor	Navgadi	100	2	40	2	60		
3	Peshku	Yangibozor	80	1	20	2	60		
Kashkadarya region			730	26	520	7	210		
1	Dehkonobod	Beshbulok	40	2	40				
2	Koson	Mashal	60	3	60				
3	Mirishkor	Yangi Mirishkor	40	2	40				
4	Shakhrisabz	Istikbol	180			6	180		
5	Kamashi	Uzbekistan	80	4	80				
6	Karshi	Chaman	330	15	300	1	30		
Namangan region			480	24	480				
1	Noren	Navoiy	80	4	80				
2	Uychi	Beruniy	80	4	80				
3	Chust	Gulzor	320	16	320				
Samarkand region			340	17	340				
1	Ishtikhon	Sheikhlarkent	60	3	60				
2	Ishtikhon	Metan	20	1	20				
3	Kushrobod	Zarkent	40	2	40				
4	Kushrobod	Bulokboshi	40	2	40				
5	Bulungur	Gubdin	60	3	60				
6	Payarick	Turkibola	60	3	60				
7	Urgut	Mergancha	60	3	60				
Surkhandarya region			240			8	240		
1	Angor	Shark guli	90			3	90		
2	Bandihon	Bandihon	30			1	30		

3	Boysun	Mustaqillik	30			1	30		
4	Muzrabot	Yangi hayot	30			1	30		
5	Termiz	Uchkizil	30			1	30		
6	Kizirik	Shodlik	30			1	30		
Tashkent region			776	34	760			2	96
1	Bustonlik	Istiklol	40	2	40				
2	Okhangaron	Nurobod	80	4	80				
3	Parkent	Kurgontepa	80	4	80				
4	Piskent	Gayrat	100	5	100				
5	Tashkent	Istikbol	100	5	100				
6	Urtachirchik	Uygur	80	4	80				
7	Chinoz	Tillatopgan	80	4	80				
8	Yangiyul	Ahil	80	4	80				
9	Zangiota	Turkiston	40	2	40				
10	Yukorichirchik	Mirobod	96					2	96
Fergana region			380	13	260	4	120		
1	Bogdod	Muruvvat	260	13	260				
2	Dangara	Kizilmusht	60			2	60		
3	Furkat	Guncha	60			2	60		
Khorezm region			150			5	150		
1	Bogot	Ok-tepa	90			3	90		
2	Yangibozor	Iftikhor	60			2	60		

The selection of beneficiaries is carried out in accordance with the Regulations on the procedure for the participation of the applicant-developer in the Program for the construction of affordable residential buildings according to updated standard projects in rural areas for 2017-2021, approved by the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated February 9, 2018 No. 103.

This Regulation determines the procedure for the selection and participation of developers for the construction of affordable residential buildings in rural areas based on the social needs of potential developers in affordable residential buildings in rural areas and the social priority of potential developers within the framework of the Program, determined by the commission for the selection of applicants created under the khokimiyat of the corresponding district.

Participating commercial banks (PCB) concluded 9 996 mortgage loan agreements with selected developers for the construction of an affordable residential building in rural areas under the Program with the participation of ADB, including: JSCMB "Ipoteka Bank" – 3 616 contracts.

Thus, based on the given data, it can be argued that JSCMB "Ipoteka Bank" has fully complied with all the requirements of the indicator related to the withdrawal of borrowed funds (DLI-2).

It should be noted that all residential buildings built according to updated standard projects within the framework of the 2021 Program, fell under category B.

Information about the results of the categorization of massifs is given in tabular form:

Table 3

The results of the categorization of massifs selected for the construction of affordable residential buildings under the Program with the participation of ADB in 2021 by JSCMB Ipoteka-Bank

No.	Regions	Bank branch name	Massifs	Category of the project according to the screening list on ecology	Screening list project category in sociology	Presence of the conclusion of ecological expertise
Republic of Karakalpakstan						
1	Amudaryo	<i>Karakalpak reg. branch</i>	Gulzor	B	C	YES
2	Bozatau	<i>Karakalpak reg. branch</i>	Bozatau	B	C	YES
3	Konliculus	<i>Karakalpak reg. branch</i>	Doslyk	B	C	YES
4	Nukus	<i>Karakalpak reg. branch</i>	Akmangit	B	C	YES
5	Takhiatosh	<i>Karakalpak reg. branch</i>	Halyklar doslyk	B	C	YES
6	Khujayli	<i>Karakalpak reg. branch</i>	Kun-nuri	B	C	YES
7	Shumanay	<i>Karakalpak reg. branch</i>	Madeniyyat	B	C	YES
Bukhara region						
8	Bukhoro	<i>Bukhara branch</i>	Rabotak	B	C	YES
9	Peshku	<i>Bukhara branch</i>	Yangibozor	B	C	YES
10	Jondor	<i>Sardor branch</i>	Navgadi	B	C	YES
Kashkadarya region						
11	Dehkonobod	<i>Kashkadarya reg. branch</i>	Beshbulok	B	C	YES
12	Koson	<i>Kashkadarya reg. branch</i>	Mashal	B	C	YES
13	Mirishkor	<i>Kashkadarya reg. branch</i>	Yangi Mirishkor	B	C	YES
14	Karshi	<i>Kashkadarya reg. branch</i>	Chaman	B	C	YES
15	Kamashi	<i>Shakhrisaz branch</i>	Uzbekistan	B	C	YES
16	Shakhrisabz	<i>Shakhrisaz branch</i>	Istikbol	B	C	YES
Namangan region						
17	Noren	<i>Namangan branch</i>	Navoiy	B	C	YES
18	Uychi	<i>Namangan branch</i>	Beruniy	B	C	YES
19	Chust	<i>Namangan branch</i>	Gulzor	B	C	YES
Samarkand region						
20	Ishtikhon	<i>Kuksarai branch</i>	Sheikhlarkent	B	C	YES
21	Ishtikhon	<i>Kuksarai branch</i>	Metan	B	C	YES
22	Kushrobod	<i>Kuksarai branch</i>	Zarkent	B	C	YES
23	Kushrobod	<i>Kuksarai branch</i>	Bulokboshi	B	C	YES
24	Bulungur	<i>Kuksarai branch</i>	Gubdin	B	C	YES
25	Payarick	<i>Kuksarai branch</i>	Turkibola	B	C	YES
26	Urgut	<i>Samarkand branch</i>	Mergancha	B	C	YES
Surkhandarya region						

No.	Regions	Bank branch name	Massifs	Category of the project according to the screening list on ecology	Screening list project category in sociology	Presence of the conclusion of ecological expertise
27	Angor	<i>Surkhandarin branch</i>	Shark guli	B	C	YES
28	Bandihon	<i>Surkhandarin branch</i>	Bandihon	B	C	YES
29	Boysun	<i>Surkhandarin branch</i>	Mustaqillik	B	C	YES
30	Muzrabot	<i>Surkhandarin branch</i>	Yangi hayot	B	C	YES
31	Termiz	<i>Surkhandarin branch</i>	Uchkizil	B	C	YES
32	Kyzirik	<i>Surkhandarin branch</i>	Shodlik	B	C	YES
Tashkent region						
33	Bustonlik	<i>Chirchik branch</i>	Istiklol	B	C	YES
34	Okhangaron	<i>Akhangaran branch</i>	Nurobod	B	C	YES
35	Parkent	<i>Chirchik branch</i>	Kurgontepa	B	C	YES
36	Piskent	<i>Almalik branch</i>	Gayrat	B	C	YES
37	Chinoz	<i>Chinaz branch</i>	Tillatopgan	B	C	YES
38	Yangiyul	<i>Zangiata branch</i>	Ahil	B	C	YES
39	Zangiota	<i>Zangiata branch</i>	Turkiston	B	C	YES
40	Tashkent	<i>Zangiata branch</i>	Istikbol	B	C	YES
41	Urtachirchik	<i>Almalik branch</i>	Uygur	B	C	YES
42	Yukorichirchik	<i>Chirchik branch</i>	Mirobod	B	C	YES
Fergana region						
43	Bogdod	<i>Kukan branch</i>	Muruvvat	B	C	YES
44	Dangara	<i>Kukan branch</i>	Kizilmusht	B	C	YES
45	Furkat	<i>Kukan branch</i>	Guncha	B	C	YES
Khorezm region						
46	Bogot	<i>Khorezm reg. branch</i>	Ok-tepa	B	C	YES
47	Yangibozor	<i>Tinchlik branch</i>	Iftikhor	B	C	YES

During the categorization, screening process forms were filled out, in accordance with Appendix 2, ADB Guidelines for Environmental and Social Requirements for JSCMB Ipoteka Bank, in 3 stages: 1) environmental screening, 2) screening for climate risks and 3) screening for involuntary resettlement issues.

Then, the specialists responsible for the implementation of the ESMS on the ground reviewed and collected confirmation that the requirements of the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated September 7, 2020 No. 541 "On further improvement of the environmental impact assessment mechanism" are being complied with.

After the process of screening and categorization of sub-projects has been completed was carried out the selection of massifs, compliant and beneficiaries of the Program, as well as after the opening of the financing and start of construction professionals responsible for the implementation of ESMS in the field, to audit the implementation of each sub-project to ensure that the implemented in accordance with the requirements of the guide to ESMS JSCMB "Ipoteka Bank" and Loan agreement.

It should be noted that the construction of affordable residential buildings according to updated standard designs in rural areas is not included in the list of prohibited activities sponsored by ADB.

Information on the number of audits conducted by JSCMB "Ipoteka Bank" is given in the following table:

Table 4

Information on the number of audits conducted by JSCMB Ipoteka Bank under the Program with the participation of ADB in 2021

№	Regions	Bank branch name	Massifs	Construction start date	Number of audits performed	Who conducted the audit*
Republic of Karakalpakstan						
1	Amudaryo	<i>Karakalpak reg. branch</i>	Gulzor	May	6	
2	Bozatau	<i>Karakalpak reg. branch</i>	Bozatau	May	5	
3	Konliculus	<i>Karakalpak reg. branch</i>	Doslyk	May	5	
4	Nukus	<i>Karakalpak reg. branch</i>	Akmangit	May	6	
5	Takhiatosh	<i>Karakalpak reg. branch</i>	Halyklar doslyk	May	5	
6	Khujayli	<i>Karakalpak reg. branch</i>	Kun-nuri	May	6	
7	Shumanay	<i>Karakalpak reg. branch</i>	Madeniyyat	May	5	
Bukhara region						
8	Bukhoro	<i>Bukhara branch</i>	Rabotak	May	6	
9	Peshku	<i>Bukhara branch</i>	Yangibozor	May	5	
10	Jondor	<i>Sardor branch</i>	Navgadi	May	5	
Kashkadarya region						
11	Dehkonobod	<i>Kashkadarya reg. branch</i>	Beshbulok	May	6	
12	Koson	<i>Kashkadarya reg. branch</i>	Mashal	May	5	
13	Mirishkor	<i>Kashkadarya reg. branch</i>	Yangi Mirishkor	May	6	
14	Karshi	<i>Kashkadarya reg. branch</i>	Chaman	May	5	
15	Kamashi	<i>Shakhrisaz branch</i>	Uzbekistan	May	5	
16	Shakhrisabz	<i>Shakhrisaz branch</i>	Istikbol	May	6	
Namangan region						
17	Noren	<i>Namangan branch</i>	Navoiy	May	6	
18	Uychi	<i>Namangan branch</i>	Beruniy	May	5	
19	Chust	<i>Namangan branch</i>	Gulzor	May	5	
Samarkand region						
20	Ishtikhon	<i>Kuksarai branch</i>	Sheikhlarkent	May	6	
21	Ishtikhon	<i>Kuksarai branch</i>	Metan	May	5	
22	Kushrobod	<i>Kuksarai branch</i>	Zarkent	May	6	

№	Regions	Bank branch name	Massifs	Construction start date	Number of audits performed	Who conducted the audit*
23	Kushrobod	<i>Kuksarai branch</i>	Bulokboshi	May	5	
24	Bulungur	<i>Kuksarai branch</i>	Gubdin	May	6	
25	Payarick	<i>Kuksarai branch</i>	Turkibola	May	5	
26	Urgut	<i>Samarkand branch</i>	Mergancha	May	5	
Surkhandarya region						
27	Angor	<i>Surkhandarin branch</i>	Shark guli	May	6	
28	Bandihon	<i>Surkhandarin branch</i>	Bandihon	May	5	
29	Boysun	<i>Surkhandarin branch</i>	Mustaqillik	May	5	
30	Muzrabot	<i>Surkhandarin branch</i>	Yangi hayot	May	6	
31	Termiz	<i>Surkhandarin branch</i>	Uchkizil	May	6	
32	Kyzirik	<i>Surkhandarin branch</i>	Shodlik	May	5	
Tashkent region						
33	Bustonlik	<i>Chirchik branch</i>	Istiklol	May	5	
34	Okhangaron	<i>Akhangaran branch</i>	Nurobod	May	5	
35	Parkent	<i>Chirchik branch</i>	Kurgontepa	May	6	
36	Piskent	<i>Almalik branch</i>	Gayrat	May	5	
37	Chinoz	<i>Chinaz branch</i>	Tillatopgan	May	5	
38	Yangiyul	<i>Zangiata branch</i>	Ahil	May	6	
39	Zangiota	<i>Zangiata branch</i>	Turkiston	May	4	
40	Tashkent	<i>Zangiata branch</i>	Istikbol	May	5	
41	Urtachirchik	<i>Almalik branch</i>	Uigur	May	5	
42	Yukorichirchik	<i>Chirchik branch</i>	Mirobod	May	6	
Ferghana region						
43	Bogdod	<i>Kukan branch</i>	Muruvvat	May	5	
44	Dangara	<i>Kukan branch</i>	Kizilmusht	May	5	
45	Furkat	<i>Kukan branch</i>	Guncha	May	5	
Khorezm region						
46	Bogot	<i>Khorezm reg. branch</i>	Ok-tepa	July	6	
47	Yangibozor	<i>Tinchlik branch</i>	Iftikhor	July	6	

*) *The audit was carried out by loan officers, specialists of branches under the ESMS.*

Implementation of reporting requirements for sub-projects

As noted above, in accordance with the requirements of the Decree of the President of the Republic of Uzbekistan No. 2812 dated March 2, 2017. "On additional measures for the implementation of the Program for the construction of affordable residential buildings on updated standard projects in rural areas for 2017-2021 with the participation of the Asian Development Bank" and the decision of the Board of the bank JSCMB "Ipoteka Bank" No. 15 dated January 20, 2017 the procedure for the work of the subdivisions of JSCMB "Ipoteka Bank" was developed and approved according to the system of environmental and social management through the Rural Housing Program with the participation of the Asian Development Bank. No changes were made to the document during the reporting period.

In accordance with the requirements of the ESMS management, JSCMB "Ipoteka Bank" appointed a ESMS coordinator at the bank's head office, and specialists responsible for implementing the ESMS requirements on the ground in the branches. Details of the coordinator and local ESMS specialists appointed in the system of JSCMB "Ipoteka Bank" are given below.

Table 5

Information about the appointed coordinator and local ESMS specialists in the system of JSCMB "Ipoteka Bank" in the project regions under the 2021 Program

<i>No.</i>	<i>Region</i>	<i>Bank branch name</i>	<i>FULL NAME</i>	<i>Position</i>	<i>Number and date of the order of appointment</i>
1	Republic	Head office	<i>Abdusalomov Bakhtiyor Nasirdinovich</i>	<i>ESMS coordinator</i>	
2	Namangan region	Namangan regional branch	<i>Usmonov Elbek Gayratovich</i>	<i>Responsible for ESMS</i>	<i>No. 173-k dated 11.01.2021</i>
3	Republic of Karakalpakstan	Branch of the Republic of Karakalpakstan	<i>Annakulov Oybek Kuvonchboevich.</i>	<i>Responsible for ESMS</i>	<i>No. 290 dated 11/11/2021</i>
4	Kashkadarya region	Kashkadarya regional branch	<i>Yusupov Asliddin Norkhuzhaevich</i>	<i>Responsible for ESMS</i>	<i>No. 65-p dated 11.09.2021</i>
		Shakhrisabz branch	<i>Khujamkulov Aktam Khamdamovich.</i>	<i>Responsible for ESMS</i>	<i>No. 185-i dated 11/11/2021</i>
5	Samarkand region	Samarkand regional branch	<i>Shamirzaev Abror Khudoyorovich</i>	<i>Responsible for ESMS</i>	<i>No. 328 dated 11.01.2021</i>
		Kuksarai branch	<i>Narbaev Arzimurod Nurmakhammedovich</i>	<i>Responsible for ESMS</i>	<i>No. 64 dated 10.08.2021</i>
6	Surkhandarya region	Surkhandarin branch	<i>Boev Bunyod Rustamovich</i>	<i>Responsible for ESMS</i>	<i>No. 425 - "i" dated 11/16/2021</i>
7	Tashkent region	Tashkent region branch	<i>Samadov Samandar Bakhodirovich</i>	<i>Responsible for ESMS</i>	<i>No. 149 dated 10.28.2021</i>
8	Bukhara region	Bukhara regional branch	<i>Nosirov Bobomurod Ryzimurodovich</i>	<i>Responsible for ESMS</i>	<i>No. 117 Ich dated 07.28.2021</i>
		Sardor branch	<i>Otaev Uchkun Safoevich</i>	<i>Responsible for ESMS</i>	<i>No. 195 AF dated 11/12/2021</i>
9	Ferghana region	Kokand branch	<i>Malikov Nodirzhon Mukhtorovich</i>	<i>Responsible for ESMS</i>	<i>No. 61 ICH dated 11.10.2021</i>
10	Khorezm region	Khorezm regional branch	<i>Ataev Azamat Bekturdievich</i>	<i>Responsible for ESMS</i>	<i>No. 520 dated 11.12.2021</i>
		branch Tinchlik	<i>Atajanov Bekzod Shakirovich</i>	<i>Responsible for ESMS</i>	<i>No. 255 dated 06.23.2020</i>

Part II. Environmental issues

During the reporting period, environmental monitoring in the project regions was carried out by responsible specialists for the ESMS. As indicated in the guidelines of JSCMB "Ipoteka Bank" for ESMS, environmental monitoring of each land mass, where affordable residential buildings were built according to standard designs in rural areas, was carried out once a month,

as recommended in a letter No. MM-2-5/108 dated September 12, 2018 from the Ministry of Economic Development and Poverty Reduction of the Republic of Uzbekistan.

In the course of the monitoring carried out during 2021, no cases of violation of environmental standards were identified, and there were no accidents or incidents at construction sites.

Table 6

Information on the problems identified during the environmental monitoring conducted by the specialists of JSCMB "Ipoteka Bank" under the ESMS within the framework of the 2021 Program

№	Region, bank branch	Number of audits	Identified inconsistencies in:					
			Noise and vibration	Air pollution	Water pollution (visual)	Flora and fauna (visually)	TB	Accidents
1	Republic of Karakalpakstan, Karakalpak branch	38	no	no	no	no	no	no
2	Bukhara region, Bukhara branch	11	no	no	no	no	no	no
	Bukhara region, Sardor branch	5	no	no	no	no	no	no
3	Kashkadarya region, Kashkadarya branch	22	no	no	no	no	no	no
	Kashkadarya region, Shakhrisabz branch	11	no	no	no	no	no	no
4	Namangan region, Namangan branch	16	no	no	no	no	no	no
5	Samarkand region, Kuksaroy branch	33	no	no	no	no	no	no
	Samarkand region, Samarkand branch	5	no	no	no	no	no	no
6	Surkhandarya region, Surkhandarya branch	33	no	no	no	no	no	no
7	Tashkent region, Chirchik branch	17	no	no	no	no	no	no
	Tashkent region, Akhangaran branch	5	no	no	no	no	no	no
	Tashkent region, Almalik branch	10	no	no	no	no	no	no
	Tashkent region, Chinaz branch	5	no	no	no	no	no	no
	Tashkent region, Zangiata branch	11	no	no	no	no	no	no
8	Fergana region, Kukan branch	15	no	no	no	no	no	no
9	Khorezm region, Khorazem branch	6	no	no	no	no	no	no
	Khorezm region, Tinchlik branch	6	no	no	no	no	no	no
Total:		249						

Part III: Compliance with ADB Social Protection Requirements and ADB's List of Prohibited Investment Activities.

Before the signing of mortgage agreements for the construction of affordable housing on updated standard projects in rural areas under the Program with the participation of ADB 2021 with selected beneficiaries, the responsible specialists for the ESMS assessed the sub-projects for compliance with the prohibited types of investment activities listed in the List of Prohibited Investment Activities of the ADB. The evaluation did not identify any sub-projects that would match the list.

As for compliance with the requirements of social protection, within the framework of the Program with the participation of ADB in 2021, there were no cases of involuntary resettlement of local residents and no one was harmed during construction.

Part IV: ESMS activities

As noted above, the construction sites were regularly visited by the ESMS specialists for the purpose of environmental monitoring. The number of such visits is given below.

Table 7

Information on the environmental monitoring conducted by the specialists of JSCMB "Ipoteka Bank" under the ESMS within the framework of the 2021 Program

<i>No.</i>	<i>Region, bank branch</i>	<i>Number of audits</i>	<i>Purpose of audits</i>	<i>Note</i>
1	Republic of Karakalpakstan, Karakalpak branch	38	<i>Assessment of compliance with safeguards requirements</i>	
2	Bukhara region, Bukhara branch	11	<i>Assessment of compliance with safeguards requirements</i>	
3	Bukhara region, Sardor branch	5	<i>Assessment of compliance with safeguards requirements</i>	
4	Kashkadarya region, Kashkadarya branch	22	<i>Assessment of compliance with safeguards requirements</i>	
5	Kashkadarya region, Shakhrisabz branch	11	<i>Assessment of compliance with safeguards requirements</i>	
6	Namangan region, Namangan branch	16	<i>Assessment of compliance with safeguards requirements</i>	
7	Samarkand region, Kuksaroy branch	33	<i>Assessment of compliance with safeguards requirements</i>	
8	Samarkand region, Samarkand branch	5	<i>Assessment of compliance with safeguards requirements</i>	
9	Surkhandarya region, Surkhandarya branch	33	<i>Assessment of compliance with safeguards requirements</i>	
10	Tashkent region, Chirchik branch	17	<i>Assessment of compliance with safeguards requirements</i>	
11	Tashkent region, Akhangaran branch	5	<i>Assessment of compliance with safeguards requirements</i>	
12	Tashkent region, Almalik branch	10	<i>Assessment of compliance with safeguards requirements</i>	
13	Tashkent region, Chinaz branch	5	<i>Assessment of compliance with safeguards requirements</i>	
14	Tashkent region, Zangiata branch	11	<i>Assessment of compliance with safeguards requirements</i>	
15	Ferghana region, Kukan branch	15	<i>Assessment of compliance with safeguards requirements</i>	
16	Khorezm region, Khorazem branch	6	<i>Assessment of compliance with safeguards requirements</i>	
17	Khorezm region, Tinchlik branch	6	<i>Assessment of compliance with safeguards requirements</i>	

During the audit conducted in the project regions, no cases of non-compliance with protective measures.

Table 8

Information on cases of non-compliance with protective measures identified in the course of environmental monitoring conducted by specialists of the ESMS within the framework of the 2021 Program

<i>No</i>	<i>Region, bank branch</i>	<i>Number of audits</i>	<i>Number of notifications issued by Ipoteka Bank</i>	<i>To whom the notice was given</i>	<i>What issues were discussed</i>
1	Republic of Karakalpakstan, Karakalpak branch	38	-	-	-
2	Bukhara region, Bukhara branch	11	-	-	-
3	Bukhara region, Sardor branch	5	-	-	-
4	Kashkadarya region, Kashkadarya branch	22	-	-	-
5	Kashkadarya region, Shakhrisabz branch	11	-	-	-
6	Namangan region, Namangan branch	16	-	-	-
7	Samarkand region, Kuksaroy branch	33	-	-	-
8	Samarkand region, Samarkand branch	5	-	-	-
9	Surkhandarya region, Surkhandarya branch	33	-	-	-
10	Tashkent region, Chirchik branch	17	-	-	-
11	Tashkent region, Akhangaran branch	5	-	-	-
12	Tashkent region, Almalik branch	10	-	-	-
13	Tashkent region, Chinaz branch	5	-	-	-
14	Tashkent region, Zangiata branch	11	-	-	-
15	Ferghana region, Kukan branch	15	-	-	-
16	Khorezm region, Khorazem branch	6	-	-	-
17	Khorezm region, Tinchlik branch	6	-	-	-

Due to the fact that no cases of non-compliance with safeguards were identified as a result of monitoring, there was no need to develop a corrective action plan.

In accordance with the Law of the Republic of Uzbekistan "On Appeals of Individuals and Legal Entities", a complaint or appeal received must be considered by the bank within 15 days of their receipt.

At the same time, persons affected by the project can contact the virtual reception of the Chairman of the Board of the Bank by going to the bank's website at the link www.ipotekabank.uz

During the reporting period, JSCMB "Ipoteka Bank" did not receive complaints from persons affected by the Affordable Housing Construction Program for Updated Standard Projects in Rural Areas in 2021.

Table 9

Details of Complaints Received from Individuals Affected by the 2021 Rural Updated Model Design Affordable Housing Program

<i>№</i>	<i>Region, bank branch</i>	<i>Number of complaints received</i>	<i>View (in writing, orally, by phone)</i>	<i>Main topics for complaints</i>	<i>Number of resolved complaints</i>
1	Republic of Karakalpakstan, Karakalpak branch	-	-	-	-
2	Bukhara region, Bukhara branch	-	-	-	-
3	Bukhara region, Sardor branch	-	-	-	-
4	Kashkadarya region, Kashkadarya branch	-	-	-	-
5	Kashkadarya region, Shakhrisabz branch	-	-	-	-
6	Namangan region, Namangan branch	-	-	-	-
7	Samarkand region, Kuksaroy branch	-	-	-	-
8	Samarkand region, Samarkand branch	-	-	-	-
9	Surkhandarya region, Surkhandarya branch	-	-	-	-
10	Tashkent region, Chirchik branch	-	-	-	-
11	Tashkent region, Akhangaran branch	-	-	-	-
14	Tashkent region, Almalik branch	-	-	-	-
15	Tashkent region, Chinaz branch	-	-	-	-
16	Tashkent region, Zangiata branch	-	-	-	-
17	Ferghana region, Kukan branch	-	-	-	-
18	Khorezm region, Khorazem branch	-	-	-	-
19	Khorezm region, Tinchlik branch	-	-	-	-

Part V: Conclusion and Plan of Action

Based on the results of the reporting period, it can be concluded that JSCMB Ipoteka Bank met all the requirements for protective measures imposed by the terms of the Loan Agreement signed as part of the second phase of the affordable housing construction program, where a new modality of “result-based lending”.

In the annual report of JSCMB "Ipoteka Bank" on the implementation of the ESMS following the results of 2021, it was noted that the capacity of responsible specialists of JSCMB "Ipoteka Bank" for ESMS needs to be strengthened through a series of trainings.

Due to the fact that the program "Affordable Housing in rural areas" is designed for 2017-2021, JSCMB "Ipoteka Bank" will take measures to complete this program and take the following actions in 2022.

Table 10**Action plan of JSCMB "Ipoteka Bank" for 2022**

PCB	Issues	Actions required	Responsible	Period/data
JSCMB "Ipoteka Bank"	Publication of the JSCMB "Ipoteka Bank" annual report on the results of 2021 on the bank's website	After approval of the submitted annual financial statements of the bank under the ESMS by the MMU and ADB to ensure the publication of the document on the bank's website	ESMS Coordinator	1 quarter 2022
JSCMB «Ipoteka Bank»	Conducting a series of trainings by ESMS Coordinator for the Ipoteka Bank's regional branch specialists	To develop the handouts and presentation materials and make a training schedule	ESMS coordinator	During 2022

Annex