

**Position:** Energy price transition communication expert  
**Duration:** Long-term – 12 months  
**Working days:** Maximum 100 days  
**Duty station:** Home-based and field/in-situ missions  
**Application deadline: 02/04/2024**

## I. About the program:

In August 2020, the Republic of Uzbekistan signed an Energy Climate Policy Based Loan (PBL) Phase 1 with AFD in co-financing with the Asian Development Bank (ADB). The aim of the PBL was to implement reforms in the energy sector to ensure low-carbon development.

In addition to this, AFD provided the 1st Technical Assistance (TA) amounting to 400 000 EUR to perform some activities in different areas such as energy regulation, electricity tariff, bioenergy, energy sector modelling, gender support and screening of future transmission projects.

More than 3 years after the signing of the PBL Phase 1, Uzbek authorities should renew an action plan backed by a coherent budgetary and fiscal strategy aimed at tackling power sector restructuring, strengthening of the regulatory environment, improvement of financial stability, power sector decarbonisation, and energy efficiency.

Within the framework of this political commitment, the Ministry of Energy (MoE) and the Ministry of Economy & Finance (MoEF) confirmed their interest for an Energy Climate Policy Based Loan (PBL) Phase 2 in 2024 with a co-financing from AFD and ADB.

As with PBL Phase 1 and in accordance with the request letter (№ 07-65-06348) of the Ministry of Investment, Industry and Trade (MIIT) dated June 8th 2023, AFD provide a Technical Assistance of 1.5 M€ related to the PBL Phase 2 to support the authorities' efforts in line with the previous TA described above.

Expertise France (EF) is implementing this Technical Assistance to the benefit of the Uzbek government (notably MoEF and MoE) for a period of 3 years (2023-2025).

## II. Context:

One of the Technical Assistance's objectives is to contribute to creating a positive view on fair and understandable increase of energy prices among population. Starting from 2017 Government of Uzbekistan (GoU) launched wide-scale reforms, also including energy sector. The government succeeded in conducting unbundling of vertically-integrated monopolies, attracting private investments into generation using public-private partnership, and assured pipeline of contract focused on developing renewable energy assets (utility scale solar PV and wind). Nevertheless, one of the key reforms in the sector is related to raising tariffs and bringing them to cost-recovery levels.

Uzbekistan also spends significant amount of its financial resources to subsidize energy sector. Due to pause in energy tariffs raise from August 2019 to October 2023 (partial raise affected only entities, not population) the share the total subsidies as a share of GDP rose

dramatically from 2020. According to IEA, energy subsidies to GDP was 6.6 % in 2020, while in 2022 it reached astonishing 28.2% (second in the world)<sup>1</sup>.

Electricity and natural gas prices are among the lowest in the world, with average electricity tariffs standing at around US\$4.5 per kWh, which is around 70 percent of its cost, placing the country among the top 10 countries with the cheapest prices out of 230 countries. Similarly, natural gas tariffs are among the lowest in the world, with the average tariff of around US\$72 per m<sup>3</sup>, which stands at about half of its prevailing cost and at around 40 percent of its opportunity cost (as of 2021).

In April 2019, the GoU adopted a new electricity tariff setting methodology, defining a path for tariffs to be systematically adjusted in the future. The GoU also established a separate tariff commission under the Cabinet of Ministers to set out a path for tariffs to be adjusted towards full cost recovery levels. GoU also implemented three tariff adjustments in 2018-2019 that collectively doubled the weighted-average tariff of electricity and gas. Although tariff reforms were paused in 2020-2022 due to the impacts of COVID-19, some regional and internal challenges (uprest in Kazakhstan due to fuel price increase, Ukraine war impact) the GoU further adjusted electricity and gas tariffs for selected non-residential customers in May 2022. Only in October 2023, GoU succeeded to increase electricity and natural gas tariffs for non-residential consumers. It is supposed that in May 2024, GoU will increase tariff for population also.

Tariffs increase	Electricity (UZS per kWh)		Natural gas (UZS per m3)	
	Residential	Entities	Residential	Entities
01.10.2016	191	191	226	422
15.07.2017	204.30	204	265	455
01.04.2018	228.60	229	290	501
16.11.2018	250	331	320	553
15.08.2019	295	450	380	660
01.10.2023	295	900*	380	1500**

\*For several electricity consumers (Almalyk Mining Company, Navoi Mining Company, Uzbekistan Metallurgical Plant, public organizations and irrigation pumps) GoU set up higher tariff – 1000 UZS per kWh.

\*\*For several natural gas consumers (Almalyk Mining Company, Navoi Mining Company, Uzbekistan Metallurgical Plant and public organizations) GoU set up higher tariff – 1800 UZS per m3.

Even though, GoU has not raised the tariffs for population, authorities introduced “multiplying factor” for the residential consumers starting from November 1, 2023. According to Cabinet of Ministries Resolution, consumption over 1000 kWh and below 5000 kWh per month would be charged two times higher than regular tariff (290 UZS/kWh\*2), consumption over 5000 kWh and below 10,000 kWh per month would be charged three times higher (295 UZS/kWh\*3), and consumption above 10,000 kWh per month by residential consumers would be charged four times higher than existing tariff (295 UZS/kWh\*4).

<sup>1</sup> <https://www.iea.org/data-and-statistics/data-product/fossil-fuel-subsidies-database>

MoE informed that out of 7.6 million residential consumers only 146 thousand consume above 1000 kWh per month, out of that about 10 thousand residential clients consume above 5,000 kWh, and there are about 4 thousand residential users consuming above 10,000 kWh per month<sup>2</sup>. However, these 2 percent of households (consuming more than 1000 kWh per month) in total consume about 6.4 billion kWh (or 32.2% of electricity supplied to residential sector). In contrast, 6.4 million households (84.6 percent of connected to the grid) consume only less than 300 kWh per month per household, and their total consumption is 7.4 billion kWh or 37 percent of residential sector usage (data for 2023). These kind of data can be instrumental in convincing the population to increase tariffs to cover costs and making them just, instead of keeping them at a level requiring huge subsidies.

Transparency of tariff formation is also one of the key concerns among the population and business. In September 2023, the MoE informed that the cost of electricity production and delivery is 970 UZS per kWh, while the retail tariff for the population is 295 UZS per kWh, and 450 UZS per kWh for entities (before the increase in October 2023). Similarly, the cost of natural gas production is 1890 UZS per m<sup>3</sup>, whereas the final price for residential consumers is 385 UZS per m<sup>3</sup>, and 660 UZS per m<sup>3</sup> for entities.<sup>3</sup> To cover the difference, the GoU is subsidizing the energy sector. According to IEA, in 2022 Uzbekistan spent 5.7 and 15.3 billion USD on subsidies for electricity and natural gas accordingly.

However, experts and the population in general are demanding the full disclosure of production costs, particularly how costs are formed along the supply chain. Sharing up-to-date information about the energy sector and factors influencing the cost will be one of the key elements in establishing supportive and trusting communication between the GoU and energy consumers.

In September 2023, the GoU approved the decree No-166 "On measures to implement for the next stage of reforming the energy sector" that envisaged the establishment of the regulator entity for the electricity sector (Energy market development and regulatory Agency) and the single purchase/seller of electricity (Uzenergosotish). Also, the decree outlined further changes in the market rules up to 2030, particularly creating day-ahead and intra-day markets. In January the GoU approved the decree No-28 that approved the structure and functions of the Agency and also listed the activities to focus on.

EF will support the MoEF and MoE, and other needed governmental institutions in the establishment of an appropriate communication plan for the future energy sector tariff strategy to raise awareness to the population and companies, stimulate energy-efficient behavior, alleviate potential negative public opinion on the matter, and create conditions for positive or at least not hostile adoption of tariff increases by various consumers. EF is looking for a specific expert on this aspect: the communication strategy expert on energy price transition will prepare a communication strategy on how to accompany tariff increases to enhance public acceptability of those price changes for the population.

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<sup>2</sup> <https://minenergy.uz/uz/news/view/3292>

<sup>3</sup> <https://minenergy.uz/uz/news/view/3254>

### III. Mission description:

The energy price transition expert is a long-term expert, who accompanies the beneficiary (MoEF), during 12 months, to develop and implement a communication strategy:

- Facilitate a smooth transition to new energy pricing mechanisms by developing and implementing comprehensive communication strategies.
- Raise public awareness of the current situation in the sector (e.g., deterioration of equipment, electricity and gas significantly subsidized, unsustainable financing mechanisms and diminishing operational performance, etc.).
- Educate and engage with the public, stakeholders, and policymakers about the rationale, benefits, and implications of energy price reforms.
- Manage public perception, address concerns, promote energy efficiency and conservation practices among consumers.
- Motivate a change in consumer behaviour related to energy saving.
- Create understanding of forthcoming and ongoing reforms in the energy sector.
- Analyse transparency level in the energy sector regarding tariffs and ascertain major concerns among population/business entities on tariff increase.
- Present to consumers the rationale and justification for the need to change tariff policy to ensure stable operation of the energy system.

The expert will conduct research to assess public opinion and understanding about, population/consumers' complaints regarding energy sector and the need for communication tools/channels established between authorities and consumers. The consultant is expected to use quantitative and qualitative methods in carrying out the research (e.g., new and existing surveys, focus group discussions, desk research, in-depth key informant interviews, etc.) that will help him/her to develop a data-driven understanding of the population/consumers view to the energy sector and ascertain their key concern regarding tariff increase.

The research will include the following activities:

- Mapping different stakeholders and identifying their interests, perceptions, understanding of issues related to the energy sector, etc.
- Assessing how to engage effectively with citizens, including testing of messages for impact, and identifying credible communication channels to be used.
- Identifying means of building awareness about :
  - o the current situation in the energy sector,
  - o the reforms being contemplated in the sector and the reasons for them,
  - o potential energy efficiency measures and how they can mitigate the impact on bills of higher tariffs, and,
  - o the social protection measures being put in place to minimize the impact of tariff increases on the welfare of vulnerable segments of the population, etc.
- Designing mechanisms for monitoring and evaluation of communications and outreach efforts when implemented.

- Preparing transparency overview and recommendations to utilities on tariff raise, so general public would be aware about tariff formulation along supply chain;
- Studying international best practices on the tariff communication and similar activities already conducted in Uzbekistan such as “Communications strategy on tariff policy reform in the energy sector of the republic of Uzbekistan”.
- Capacity building recommendations.

The research should cover the following stakeholder groups, at a minimum:

- Local communities and rural activists.
- Social groups including people from low- and middle-income categories.
- Media.
- Energy experts.
- State, national, regional and district authorities of Uzbekistan, local government bodies.
- Business community, including commercial and industrial elements.
- Local and international energy companies.
- International organizations and partners.

#### **IV. Deliverables:**

The Consultant will deliver a Report in the form of a Communication Plan with the following coverage (contents) :

- a. Detailed plan outlining objectives of strategic communication by government agencies, in particular the MoEF, Ministry of Energy and the Agency of Uzbekistan.
- b. Audiences to be reached.
- c. Appropriate messages and source credibility.
- d. Communication channels, tools, activities, and types of media (particularly, social media) to be considered.
- e. Tactics for effectively communicating energy price changes.
- f. Presentation of examples of similar initiatives in other countries.

The report will be written in English by the expert and the final version will be translated to Russian and/or Uzbek by EF.

A workshop will be organized to present the communication plan to the MoEF, MoE and the Agency, in Russian (or Uzbek).

The Consultant will prepare materials and reports:

- Production of a variety of communication materials tailored to different audiences, such as informational brochures, website content, social media posts, and press releases to educate the population about energy price transitions and energy efficiency.
- Monitoring and Evaluation Report: A comprehensive report assessing the effectiveness of communication efforts, public sentiment, and media coverage, with recommendations for strategy adjustments.

- Training and Capacity Building Workshops: Organization and delivery of workshops for relevant stakeholders on energy price communication strategies and tools.
- Best Practices and Lessons Learned Document: A report summarizing the experiences, successes, challenges, and lessons learned during the communication campaign, providing guidance for future initiatives.

## **V. Qualifications, skills and professional experience**

The expert is expected to have an in-depth international expertise of energy price transition issues. A local knowledge of the Uzbek energy sector as well as the Uzbek society would be an asset.

The expert will need to possess the following skills:

- 10 years' expertise on public policies, and especially regarding energy and social policies with financial aspects.
- Proven experience in the design and implementation of communication strategies.
- Excellent knowledge, understanding of development issues, socio-political, economic, and cultural contexts of Uzbekistan.
- Experience and knowledge of modern communication media.
- Strong communications skills, including interviewing capabilities.
- Experience planning, developing, organizing, directing and managing effective media campaigns and initiatives.
- 2 - 3 projects in energy price transition issues but also in institutional communication technics or in energy-related awareness.
- A first experience in CIS, in particular in Caucasus and Central Asia is an asset.
- Fluency in English.
- Fluency in Russian and/or Uzbek is an asset.

VI. **Duration of the contract:** 12 months

VII. **Beginning of the mission:** March/April 2024

## **VIII. Working conditions**

Individual expertise contract, home-based and mission on the field – (Maximum 100 days). At least two field trips will be planned:

- a) first visit to familiarize with context, meet with key stakeholders and assess their needs;
- b) second visit to present final deliverables.

The individual contract is remunerated on a fee basis (man-days). The effort required for each period is defined by a purchase order, agreed with the Team Leader. The expert's invoices are issued once the time sheets and associated deliverables have been validated.

Expertise France covers the logistical costs (including travel insurances) of the expert's missions. The expert has access to Expertise France's offices and meeting rooms in Tashkent, and will be supported by the local team to ensure the smooth running of the missions.

Working equipment (PC, telephone, connection, licenses, etc...) are provided by the expert.

**IX. Documents to be provided:**

- CV (Europe Aid format) in English with reference linked to the position.
- Cover letter in English including the expert daily rate

The interviews will be organised with the selected candidates.