



Board of Directors

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## Country Operations Business Plan: Mongolia, 2019–2021

Attached for information is a paper on the above subject.

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# Country Operations Business Plan

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August 2018

Mongolia  
2019–2021

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Asian Development Bank

## CURRENCY EQUIVALENTS

(as of 25 July 2018)

Currency unit	–	togrog (MNT)
\$1.00	=	MNT2,465
MNT1.00	=	\$0.000405

## ABBREVIATIONS

ADB	–	Asian Development Bank
COBP	–	country operations business plan
COL	–	concessional OCR lending
CPS	–	country partnership strategy
OCR	–	ordinary capital resources
TA	–	technical assistance

## NOTE

In this report, “\$” refers to US dollars.

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## **I. CONSISTENCY OF BUSINESS PLAN WITH COUNTRY PARTNERSHIP STRATEGY**

1. The country operations business plan (COBP), 2019–2021 is consistent with the strategic priorities of the country partnership strategy (CPS), 2017–2020 of the Asian Development Bank (ADB) for Mongolia.<sup>1</sup> In line with the Government Action Plan, 2016–2020 and ADB Strategy 2030, the overarching goal of the CPS is to help Mongolia sustain inclusive growth in a period of economic difficulty.<sup>2</sup> The COBP is aligned with the three strategic pillars set out in the CPS: (i) promoting economic and social stability, (ii) developing infrastructure for economic diversification, and (iii) strengthening environmental sustainability. The COBP will support the cross-cutting themes set out in the CPS—public sector management and gender equity. The COBP also recognizes strengthening of portfolio performance as a priority. The COBP, 2019–2021 is the third COBP under the CPS, 2017–2020.<sup>3</sup>

2. The COBP continues to be guided by the country knowledge plan presented in the CPS. ADB's knowledge operations will focus primarily on issues that relate to the three strategic pillars, as well as the cross-cutting themes of public sector management and gender equity. The multidimensional nature of ADB's strategic focus provides a rich context in which to deepen knowledge cooperation within Mongolia.

## **II. INDICATIVE RESOURCE PARAMETERS**

3. Mongolia, a group B developing member country, is eligible for concessional ordinary capital resources lending (COL) and regular ordinary capital resources (OCR) lending. The indicative resources available during 2019–2021 for sovereign operations amount to \$1,132.28 million, comprising \$171.28 million for COL and \$961.00 million for regular OCR lending.<sup>4</sup> The final allocation will depend on available resources and the outcome of the country performance assessments. Cofinancing plans include an indicative additional allocation of \$40 million for COL from regional integration resources and funding for anti-money laundering and combatting the financing of terrorism, and anticorruption will be explored.

4. The COBP, 2019–2021 includes a firm lending pipeline for Mongolia amounting to \$944.00 million, comprising \$174.00 million to be funded by COL and \$770.00 million from OCR.<sup>5</sup> This covers 20 lending projects. During the COBP period, ADB expects to deliver technical assistance (TA) worth \$26.2 million, and administer cofinanced grants worth \$12.0 million. Areas of intervention and the resource allocation for each sector are included in Appendix 1.

5. The lending allocations (Appendix 2) reflect the Government of Mongolia's priorities and areas of ADB comparative advantage to achieve results in the following key sectors: (i) agriculture, natural resources, and rural development (24.1% of the 3-year program); (ii) transport (18.9%); (iii) water and other urban infrastructure and services (14.1%); (iv) finance (10.6%); (v)

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<sup>1</sup> ADB. 2017. *Country Partnership Strategy: Mongolia, 2017–2020—Sustaining Inclusive Growth in a Period of Economic Difficulty*. Manila.

<sup>2</sup> ADB. 2014. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila; Government of Mongolia. 2016. *Government Action Plan, 2016–2020*. Ulaanbaatar.

<sup>3</sup> ADB. 2017. *Country Operations Business Plan, 2017–2019*. Manila. and ADB. 2018. *Country Operations Business Plan, 2018–2020*. Manila.

<sup>4</sup> The terminology reflects the combination of Asian Development Fund lending operations with the OCR balance sheet, which took effect on 1 January 2017.

<sup>5</sup> Policy-based loans commitments accounted for 42.9% of total lending since 2016. The remaining operations are project financing.

energy (9.5%); (vi) health (8.5%); (vii) industry and trade (6.3%); (viii) public sector management (4.8%); and (ix) education (3.2%).

6. The TA program for 2019–2021 (Appendix 2) will enhance the design, preparation, and readiness of the lending program and will support knowledge creation, management, and sharing in Mongolia. The TA program has a strong thematic focus, in line with the lending program and in response to government priorities on agriculture, natural resources, and rural development (29.4% of the 3-year program); public sector management (21.4%); water and other urban infrastructure and services (11.4%); education (9.5%); health (9.0%); energy (6.7%); transport (6.7%); industry and trade (4.4%) and the financial sector (1.5%). Appendix 3 presents the lending and non-lending assistance program for 2018 and appendix 4 summarizes the planned knowledge program and events.

### III. SUMMARY OF CHANGES TO LENDING AND NONLENDING PROGRAMS

7. The adjustments to the lending program for 2019–2021 include the following:
- (i) **Pipeline for 2019.** The main changes are the inclusion of the Sustainable Tourism Development project originally planned for 2018; the inclusion of the second tranche of the Urban Transport Development Investment Program originally on standby for 2019; the movement of the *Aimag* and *Soum* Centers Regional Development Investment Program to stand-by 2019 and firm 2020; and the change in the focus area of the policy-based loan planned for 2019 to Ulaanbaatar Air Quality Improvement Program Phase 2. The Education for Children with Disabilities grant was also moved to 2020 from 2019.
  - (ii) **Pipeline for 2020.** The main changes include the reduction in the number of loans from nine to four because (a) the Urban Transport Development Investment Program was moved to firm 2019; (b) two operations (Research University Sector Development Program<sup>6</sup> and the Improving Fiscal Management Program) have been moved to standby 2020; (c) the Disaster Risk Management Project, Climate-Resilient Livestock Sector Development Project, and Sustainable Tourism Development Project Phase 2 have been moved to 2021; (d) after a request from the government to convert to a loan, the Upgrading Emergency Care Systems grant has been integrated into the Improving Access to Health Services for Disadvantaged Groups loan planned for 2019; and (e) the Pro-Poor Rural Energy in Rural Remote Areas grant was moved to 2021 and the Education for Children with Disabilities grant to 2020.<sup>7</sup> The *Aimag* and *Soum* Centers Regional Development Investment Program is now included in the 2020 pipeline.
  - (iii) **Pipeline for 2021.** The 2021 pipeline includes 10 loans and two grants. This includes the loans originally planned for 2020 as described in points (c) and (e) under bullet (ii) above. It also includes one operation on green financing that was originally included as standby in 2019. It includes five new operations covering regional road development, public–private partnerships, small and medium-sized enterprises, renewable energy, and environmental monitoring. Three loans are on standby for 2021.
8. Changes to the nonlending pipeline from the COBP, 2018–2020 resulted from 21 new TA projects for 2019–2021 that focus on renewable energy, public–private partnerships, gender, audit, extractive sector governance, macroprudential policy, small and medium-sized enterprises development, noncommunicable diseases, public utility services organizations, teacher professional development, and enhancing competition.

<sup>6</sup> The name of the proposed project has changed from Strengthening Research Based Universities.

<sup>7</sup> The name of the proposed project has changed from Sustainable Tourism in Central and Eastern Mongolia.

## COUNTRY ASSISTANCE RESULTS AREAS

Key Country Development Outcomes that ADB Contributes to	ADB		
	Key Areas of Assistance	Indicative Resource Available for Commitment in 2019–2021	Changes from Last COBP
1. Agriculture, Natural Resources, and Rural Development			
Agro-processing capacity and secondary primary agricultural production increased	Agricultural value chain development (production, marketing, and branding capacity increased)	Amount: \$167.0 million OCR, \$61.0 million COL, and \$4.0 million cofinancing	Two new loans added in 2019 and 2021, one further on standby, and one TA added to 2021 at the government’s request x
Environmental management capacity at all levels of government strengthened	Forest, solid waste, water, and protected area management	Share of COBP lending envelope: 24.1%	
Capacity for disaster risk management strengthened	Disaster early warning and control system, community-based disaster risk management, and disaster insurance scheme		
Sustainable tourism developed	Enabling infrastructure and waste management for tourism development		
2. Energy			
Energy access and efficiency in urban and remote areas improved	Renewable energy	Amount: \$90.0 million OCR and \$2.0 million cofinancing	One new loan added in 2021 and one new TA was added at the government’s request
Impacts of climate change mitigated	Energy-efficient electricity and heat supply systems	Share of COBP lending envelope: 9.5%	
Air pollution reduced	Energy policy and regulations		
	Energy storage		
3. Finance			
Access to finance for small and medium-sized enterprises improved	Access to finance for small and medium-sized enterprises by supporting financial infrastructure (credit guarantee system)	Amount: \$100.0 million OCR	One loan removed in 2019 and two new loans added to 2021 at the government’s request
Financial sector resilience strengthened	Financial sector stability and services	Share of COBP lending envelope: 10.6%	
4. Health			
Access to basic health services improved	Primary and district health care	Amount: \$70.0 million OCR and \$10.0 million COL	One project increased in size in 2019, one new grant removed from 2020 and integrated into 2019 loan, and two new TA projects added to 2020 and 2021 at the government’s request
	Health service safety and quality	Share of COBP lending envelope: 8.5%	
	Financial and social protection for people with disabilities		

Key Country Development Outcomes that ADB Contributes to	ADB		
	Key Areas of Assistance	Indicative Resource Available for Commitment in 2019–2021	Changes from Last COBP
5. Transport			
Physical connectivity with international markets improved	Access to markets and public services in rural areas	Amount: \$178.0 million OCR and \$2.0 million cofinancing	One loan moved from 2020 to 2019 and one new loan added to 2021 at the government’s request
Dependence on mining for gross domestic product growth and exports reduced	Capacity building for transport sector institutions	Share of COBP lending envelope: 18.9%	
Urban congestion reduced	Urban transport systems in Ulaanbaatar		
6. Water and Other Urban Infrastructure and Services			
Urban infrastructure and coverage of basic urban services improved in <i>ger</i> areas, <i>aimag</i> (province) centers, and <i>soums</i> (county)	Water supply and sanitation Wastewater and sewerage treatment systems District heating systems Affordable housing systems Peri-urban redevelopment	Amount: \$90.0 million OCR, \$43.0 million COL, and \$2.0 million cofinancing  Share of COBP lending envelope: 14.1%	One new TA project added to 2021 at the government’s request
7. Public Sector Management			
Information and communication technology system for public financial management and tax administration strengthened	Public financial management and tax administration information and communication technology system	Amount: \$45.0 million OCR  Share of COBP lending envelope: 4.8%	Two new TA projects added to 2019 at the government’s request
Fiscal sustainability of social welfare programs improved while coverage maintained	Reform of social welfare programs Institutional capacity building		
Violence against women and children reduced	Support services for affected women		
8. Industry and Trade			
Physical connectivity with international markets improved	Improvement of border services	Amount: \$60.0 million COL	Amount increased for one new project in 2019 at the government’s request
Exports of processed agricultural products increased		Share of COBP lending envelope: 6.3%	

Key Country Development Outcomes that ADB Contributes to	ADB		
	Key Areas of Assistance	Indicative Resource Available for Commitment in 2019–2021	Changes from Last COBP
<b>9. Education</b>			
Access to basic education services improved	Preprimary and basic education infrastructure and facilities, education resources	Amount: \$30.0 million OCR and \$2.0 million cofinancing	Two new TA projects added to 2021 at the government's request
Skill mismatches and shortages of skilled workers in the labor market reduced	Higher education reform	Share of COBP envelope: 3.2%	
	Technical and vocational education and training		

ADB = Asian Development Bank, COBP = country operations business plan, COL = concessional OCR lending, OCR = ordinary capital resources, TA = technical assistance.

Source: Asian Development Bank estimates.

**INDICATIVE ASSISTANCE PIPELINE**  
**Table A2.1: Lending Products, 2019–2021**

Project/Program Name <sup>a</sup>	Sector	Poverty Targeting	Strategic Agendas and Drivers of Change	Division	Year of TRTA/ PDA	Cost (\$ million)						
						Total	ADB		Gov't	Co-finance		
							Regular OCR	COL			ADF Grants	Total
2019 Firm												
Sustainable Tourism Development	ANR	TI-G	IEG, ESG, GCD, PSD, EGM	EAER	2016	38.4	19.0	19.0	0.0	38.0	0.4	0.0
Vegetable Production and Irrigated Agriculture	ANR	GI	IEG, ESG	EAER	2018	40.4	20.0	20.0	0.0	40.0	0.4	0.0
Ulaanbaatar Air Quality Improvement Program Phase 2 (PBL)	PSM, TRA, ENE	GI	IEG, ESG, GCD, PAR	EAER		120.0	120.0	0.0	0.0	120.0	0.0	0.0
Regional Improvement of Border Services (Additional Financing)	IND	GI	IEG, RCI, GCD	EAPF	2018	30.3	0.0	30.0	0.0	30.0	0.3	0.0
Improving Access to Health Services for Disadvantaged Groups (MFF, Tranche 1)	HLT	TI-S	IEG, GCD, KNS, PSD, EGM	EASS	2015	80.8	70.0	10.0	0.0	80.0	0.8	0.0 <sup>b</sup>
Urban Transport Development Investment Program (MFF, Tranche 2)	TRA	GI	IEG, ESG, EGM	EATC	2008	78.8	78.0	0.0	0.0	78.0	0.8	0.0
Supporting Irrigation Schemes in Central Mongolia	ANR	GI	IEG, ESG, EGM, PAR	EAER		2.0	0.0	0.0	0.0	0.0	0.0	2.0 <sup>c</sup>
Managing Solid Waste in Secondary Cities	WUS	GI	IEG, ESG, PAR	EASS		2.0	0.0	0.0	0.0	0.0	0.0	2.0 <sup>c</sup>
Total						392.7	307.0	79.0	0.0	386.0	2.7	4.0

Project/Program Name <sup>a</sup>	Sector	Poverty Targeting	Strategic Agendas and Drivers of Change	Division	Year of TRTA/ PDA	Cost (\$ million)						
						Total	ADB		Gov't	Co-finance		
							Regular OCR	COL			ADF Grants	Total
2019 Standby												
Aimag and Soum Centers Regional Development Investment Program (MFF, Tranche 1)	WUS	TI-G	IEG, ESG, PSD, GCD, PAR, RCI	EASS	2017	90.9	65.0	25.0	0.0	90.0	0.9	0.0
Education for Children with Disabilities	EDU	TI-G	PSD, GCD, KNS, IEG, SGE, EGM, PAR	EASS		2.0	0.0	0.0	0.0	0.0	0.0	2.0 <sup>c</sup>
Improving Transport Services in Ger areas	TRA	TI-S	IEG, EGM, PSD, PAR	EATC		2.0	0.0	0.0	0.0	0.0	0.0	2.0 <sup>c</sup>
Total						94.9	65.0	25.0	0.0	90.0	0.9	4.0
2020 Firm												
Community-Based Sustainable Forest Management and Policy Reform	ANR	GI	IEG, ESG, GCD, KNS, PAR	EAER	2018	40.4	35.0	5.0	0.0	40.0	0.4	0.0
Development of Border Economic Zones	IND	GI	IEG, RCI, GCD	EAPF	2018	30.3	0.0	30.0	0.0	30.0	0.3	0.0
Aimag and Soum Centers Regional Development Investment Program (MFF, Tranche 1)	WUS	TI-G	IEG, ESG, PSD, GCD, PAR, RCI	EASS	2017	90.9	65.0	25.0	0.0	90.0	0.9	0.0

Project/Program Name <sup>a</sup>	Sector	Poverty Targeting	Strategic Agendas and Drivers of Change	Division	Year of TRTA/ PDA	Cost (\$ million)						
						Total	ADB		Gov't	Co-finance		
							Regular OCR	COL			ADF Grants	Total
Ulaanbaatar Urban Services and Ger Areas Development Investment Program (MFF, Tranche 3)	WUS	TI-S	IEG, ESG, GCD, PAR, PSD, EGM	EASS	2012	43.4	25.0	18.0	0.0	43.0	0.4	0.0
Education for Children with Disabilities	EDU	TI-G	PSD, GCD, KNS, IEG, SGE, EGM, PAR	EASS		2.0	0.0	0.0	0.0	0.0	0.0	2.0 <sup>c</sup>
Improving Transport Services in Ger Areas	TRA	TI-S	IEG, EGM, PSD, PAR	EATC		2.0	0.0	0.0	0.0	0.0	0.0	2.0 <sup>c</sup>
Total						209.0	125.0	78.0	0.0	203.0	2.0	4.0
2020 Standby												
Improving Fiscal Management (PBL)	PSM	GI	GCD, IEG	EAPF and MNRM		100.0	100.0	0.0	0.0	100.0	0.0	0.0
Research University Sector Development Program	EDU	GI	PSD, GCD, KNS, IEG, SGE, EGM	EASS	2018	30.3	30.0	0.0	0.0	30.0	0.3	0.0 <sup>d</sup>
Total						130.3	130.0	0.0	0.0	130.0	0.3	0.0
2021 Firm												
Supporting Renewable Energy Development	ENE	No	IEG, ESG, GCD, KNS, PAR, NGE	EAEN	2019	50.5	50.0	0.0	0.0	50.0	0.5	0.0
Sustainable Tourism Development Phase 2	ANR	TI-G	IEG, ESG, GCD, PSD, EGM	EAER	2020	30.3	30.0	0.0	0.0	30.0	0.3	0.0

Project/Program Name <sup>a</sup>	Sector	Poverty Targeting	Strategic Agendas and Drivers of Change	Division	Year of TRTA/ PDA	Cost (\$ million)						
						Total	ADB			Total	Gov't	Co-finance
							Regular OCR	COL	ADF Grants			
Climate-Resilient Livestock Sector Development Project	ANR	GI	IEG, ESG, GCD, KNS, PAR	EAER	2019	30.3	23.0	7.0	0.0	30.0	0.3	0.0
Disaster Risk Management Project	ANR	GI	ESG, GCD, KNS, PAR	EAER	2019	30.3	20.0	10.0	0.0	30.0	0.3	0.0
Upgrading National Environmental Monitoring Capacity	ANR	TI-S	ESG, GCD, KNS, PAR	EAER	2020	20.2	20.0	0.0	0.0	20.0	0.2	0.0
Establish a Public–Private Partnership Project Development Fund	PSM	GI	FIN, GCD, PSD, PSM, NGE	EAPF	2019	5.1	5.0	0.0	0.0	5.0	0.1	0.0
Small and Medium-Sized Enterprises Development Project	FIN	GI	FIN, IEG, PSD, GEN	EAPF	2020	50.5	50.0	0.0	0.0	50.0	0.5	0.0
Establishing Green Financing	FIN	TI-S	ESG, GCD	EAPF	2019	50.5	50.0	0.0	0.0	50.0	0.5	0.0
Research University Sector Development Program	EDU	GI	PSD, GCD, KNS, IEG, SGE, EGM	EASS	2018	30.3	30.0	0.0	0.0	30.0	0.3	0.0 <sup>d</sup>
Regional Road Development and Maintenance Project Phase 2	TRA	GI	IEG, RCI, GCD, KNS, PSD	EATC	2020	60.6	60.0	0.0	0.0	60.0	0.6	0.0
Pro-Poor Rural Energy in Rural Remote Areas	ENE	TI-S	IEG, ESG, GCD, KNS, PAR, NGE	EAEN		2.0	0.0	0.0	0.0	0.0	0.0	2.0 <sup>e</sup>

Project/Program Name <sup>a</sup>	Sector	Poverty Targeting	Strategic Agendas and Drivers of Change	Division	Year of TRTA/ PDA	Cost (\$ million)						
						Total	ADB		Gov't	Co-finance		
							Regular OCR	ADF Grants			Total	
Strengthening Community Livelihoods in the Buffer Zones of Mongolia Protected Areas	ANR	GI	IEG, ESG, EGM, PAR	EAER		2.0	0.0	0.0	0.0	0.0	0.0	2.0 <sup>c</sup>
<b>Total</b>						<b>362.6</b>	<b>338.0</b>	<b>17.0</b>	<b>0.0</b>	<b>355.0</b>	<b>3.6</b>	<b>4.0</b>
<b>2021 Standby</b>												
Improving Weather Forecast System	ANR	TI-S	ESG, GCD, KNS, PAR	EAER	2021	15.2	15.0	0.0	0.0	15.0	0.2	0.0
Establish a Public Private Partnership Guarantee Fund	PSM	GI	FIN, GCD, PSD, PSM, NGE	EAPF	2019	75.8	75.0	0.0	0.0	75.0	0.8	0.0
Establishment of Digital Centers in <i>Aimags</i> and <i>Soums</i>	ICT	TI-G	IEG, ESG, ICT, PSD, GCD, PAR, RCI	EASS	2021	202.0	50.0	0.0	0.0	50.0	2.0	150.0 <sup>e</sup>
<b>Total</b>						<b>293.0</b>	<b>140.0</b>	<b>0.0</b>	<b>0.0</b>	<b>140.0</b>	<b>3.0</b>	<b>150.0</b>

ADB = Asian Development Bank; ADF = Asian Development Fund; ANR = agriculture, natural resources, and rural development; COL = concessional OCR lending; EAEN = Energy Division; EAER = Environment, Natural Resources, and Agriculture Division; EAPF = Public Management, Financial Sector, and Regional Cooperation Division; EASS = Urban and Social Sectors Division; EATC = Transport Division; EDU = education; ENE = energy; EGM = effective gender mainstreaming; ESG = environmentally sustainable growth; FIN = finance; GCD = governance and capacity development; GEN = gender equity theme; GI = general intervention; Gov't = government; HLT = health; ICT = information and communication technology; IND = industry and trade; IEG = inclusive economic growth; KNS = knowledge solutions; MNRM = Mongolia Resident Mission; MFF = multitranchise financing facility; NGE = no gender elements; OCR = ordinary capital resources; PAR = partnerships; PBL = policy-based loan; PDA = project design advance; PSD = private sector development; PSM = public sector management; RCI = regional cooperation and integration; SGE = some gender elements; TI-G = targeted intervention—geographic dimensions of inclusive growth; TI-S = targeted intervention—Sustainable Development Goals; TRA = transport; TRTA = transaction technical assistance; WUS = water supply and other urban infrastructure and services.

<sup>a</sup> Given the provisional nature of the indicative lending program, composition of lending instruments in the actual loan delivery may change. Investment lending accounted for 57.1%, while conventional PBL was 42.9%.

<sup>b</sup> Cofinancing is being explored with the Japan Fund for Joint Crediting Mechanism.

<sup>c</sup> Japan Fund for Poverty Reduction is possible funding source subject to the approval of the Government of Japan.

<sup>d</sup> Cofinancing is being explored with the Japan International Cooperation Agency.

<sup>e</sup> Cofinancing partner is yet to be determined.

Source: Asian Development Bank.

Table A2.2: Nonlending Products and Services, 2019–2021

Assistance Name	Sector	Division	Assistance Type	Sources of Funding				
				ADB		Others		Total (\$'000)
				Source	Amount (\$'000)	Source	Amount (\$'000)	
2019 Firm								
Coal Mine Methane Supply Chain Development Strategy	ENE	EAEN	KSTA		0	CEFPF	500	500
Supporting Renewable Energy Development	ENE	EAEN	TRTA		0	JFPR <sup>a</sup>	500	500
Disaster Risk Management Project	ANR	EAER	TRTA			JFPR <sup>a</sup>	1,000	1,000
Strengthening Capacity on Disaster Risk Assessment and Disaster Prevention Planning	ANR	EAER	KSTA		0	JFPR <sup>a</sup>	1,000	1,000
Sustainable Fodder Management	ANR	EAER	KSTA		0	JFPR <sup>a</sup>	1,000	1,000
Ulaanbaatar Air Quality Improvement Program Phase 2 (associated TA)	PSM, TRA, ENE	EAER	TRTA	TASF-6	250		0	250
Climate-Resilient Livestock Sector Development Project	ANR	EAER	TRTA	TASF-6	750		0	750
Improve Efficiency in Public Investment and Monitoring	PSM	EAPF	KSTA	TASF-6	500		0	500
Establish a Public–Private Partnership Project Development Fund and Guarantee Fund	PSM	EAPF	TRTA	TASF-6	400		0	400
Financial Consumer Protection	PSM	EAPF	KSTA	TASF-6	500		0	500
Improving Money Market Development and Macroprudential Policy	PSM	EAPF	KSTA	TASF-6	400		0	400
Establishing Green Financing	FIN	EAPF	TRTA	TASF-6	400		0	400

Assistance Name	Sector	Division	Assistance Type	Sources of Funding				Total (\$'000)
				ADB		Others		
				Source	Amount (\$'000)	Source	Amount (\$'000)	
Capacity Building and Increasing Efficiency of Social Welfare Services	HLT	EASS	KSTA	TASF-6	600		0	600
Railway Sector Development Plan	TRA	EATC	KSTA	TASF-6	500		0	500
Transportation Information Systems Development	TRA	EATC	KSTA	TASF-6	600		0	600
Strengthening the Supreme Audit Function	PSM	MNRM and EAPF	KSTA	TASF-6	650		0	650
Strengthening of Public Procurement for Improved Project Implementation (additional financing)	PSM	MNRM	KSTA	TASF-6	400		0	400
Implementation of National Gender Program	PSM	MNRM	KSTA		0	JFPR <sup>a</sup>	500	500
Develop an Information System to Strengthen Governance of Extractive Sector	PSM	MNRM	KSTA	TASF-6	500		0	500
<b>Total</b>					<b>6,450</b>		<b>4,500</b>	<b>10,950</b>
<b>2019 Stand by</b>								
Sustainable Tourism Development Phase 2	ANR	EAER	TRTA		0	JFPR <sup>a</sup>	800	800
<b>Total</b>					<b>0</b>		<b>800</b>	<b>800</b>
<b>2020 Firm</b>								
Strengthening Energy Efficiency and Regulations	ENE	EAEN	KSTA		0	CEFPF	500	500
Food Safety and Traceability Assessment	ANR	EAER	KSTA		0	JFPR <sup>a</sup>	1,000	1,000

Assistance Name	Sector	Division	Assistance Type	Sources of Funding				Total (\$'000)
				ADB		Others		
				Source	Amount (\$'000)	Source	Amount (\$'000)	
Strengthening the Management Capacity of Mongolia's Environmental NGOs	ANR	EAER	KSTA	TASF-6	500		0	500
Capacity Building for Addressing Climate Change Impacts	PSM, TRA, ENE	EAER	KSTA		0	JFPR <sup>a</sup>	500	500
Upgrading National Environmental Monitoring	ANR	EAER	TRTA	TASF-6	500		0	500
Estimating the Value of Natural Capital and Ecosystem Services	ANR	EAER	KSTA	TASF-6	750			750
Sustainable Tourism Development Phase 2	ANR	EAER	TRTA		0	JFPR <sup>a</sup>	800	800
Small and Medium-Sized Enterprises Business Development Service and Incubation Support	IND	EAPF	KSTA	TASF-6	400		0	400
Integrated Trade Facilitation Support	IND	EAPF	KSTA	TASF-6	750		0	750
Improving Fiscal Management (associated TA)	PSM	EAPF and MNRM	TRTA	TASF-6	500		0	500
Noncommunicable Disease Prevention	HLT	EASS	KSTA	TASF-6	1,000		0	1,000
Regional Road Development Phase 2	TRA	EATC	TRTA	TASF-6	400		0	400
Strengthening the Institutional Capacity and Autonomy of Public Utility Services Organizations	WUS	MNRM and EASS	KSTA		0	JFPR <sup>a</sup>	1,500	1,500
Total					4,800		4,300	9,100
2021 Firm								
Improving Weather Forecast System	ANR	EAER	TRTA	TASF-6	400		0	400
Supporting Fair Competition	PSM	EAPF	KSTA	TASF-6	500		0	500

Assistance Name	Sector	Division	Assistance Type	Sources of Funding				
				ADB		Others		Total (\$'000)
				Source	Amount (\$'000)	Source	Amount (\$'000)	
Improving Online Company Registration	PSM	EAPF	KSTA	TASF-6	500		0	500
Enhance Teacher Continuous Professional Development	EDU	EASS	KSTA		0	JFPR <sup>a</sup>	1,500	1,500
Curriculum Reform for Physical Education and Art	EDU	EASS	KSTA		0	JFPR <sup>a</sup>	1,000	1,000
Enhancing Medicines Safety	HLT	EASS	KSTA	TASF-6	750		0	750
<i>Aimags</i> and <i>Soums</i> Centers Decentralize IT and Digital Services	WUS	EASS	TRTA		0	JFPR <sup>a</sup>	1,500	1,500
<b>Total</b>					<b>2,150</b>		<b>4,000</b>	<b>6,150</b>

ADB = Asian Development Bank; ANR = agriculture, natural resources, and rural development; CEFPP = Clean Energy Financing Partnership Facility; EAEN = Energy Division; EAER = Environment, Natural Resources, and Agriculture Division; EAPF = Public Management, Financial Sector, and Regional Cooperation Division; EASS = Urban and Social Sectors Division; EATC = Transport Division; EDU = education; ENE = energy; FIN = finance; HLT = health; IND = Industry and Trade; IT = information technology; JFPR = Japan Fund for Poverty Reduction; KSTA = knowledge and support technical assistance; MNRM = Mongolia Resident Mission; NGO = nongovernment organization; PSM = public sector management; TA = technical assistance; TASF = Technical Assistance Special Fund; TRA = transport; TRTA = transaction technical assistance; WUS = water supply and other urban infrastructure and services.

<sup>a</sup> Funding is subject to approval from the Government of Japan.

Source: Asian Development Bank.

## ASSISTANCE PROGRAM FOR CURRENT YEAR

Table A3.1: Lending Products, 2018

Project/Program Name	Sector	Poverty Targeting	Strategic Agendas and Drivers of Change	Division	Year of TRTA/ PDA	Cost (\$ million)						
						Total	ADB			Gov't	Co-finance	
							Regular OCR	COL	ADF Grants			Total
Firm												
Ulaanbaatar Air Quality Improvement Program (PBL)	PSM, TRA, ENE	No	IEG, ESG, GCD, PAR	EAER		130.0	130.0	0.0	0.0	130.0	0.0	0.0
Upscaling Renewable Energy	ENE	No	IEG, ESG, GCD, KNS, PAR, NGE	EAEN	2016	61.0	40.0	0.0	0.0	40.0	0.4	20.6 <sup>a</sup>
Strengthening ICT Systems for Efficient and Transparent Public Investment and Tax Administration	PSM	No	IEG, GCD	EAPF	2017	25.3	25.0	0.0	0.0	25.0	0.3	0.0
Ensuring Inclusiveness and Service Delivery for Persons with Disabilities	HLT	TI-H	IEG, GCD, KNS, PAR, PSD, EGM	EASS	2014	27.3	0.0	25.0	0.0	25.0	0.3	2.0 <sup>b</sup>
Southeast Gobi Urban and Border Town Development Project (additional financing)	WUS	No	IEG, ESG, GCD, PAR, EGM	EASS	2015	20.2	20.0	0.0	0.0	20.0	0.2	0.0
Sustaining Access to and Quality of Education during Economic Difficulties	EDU	TI-S	IEG, ESG, GCD, KNS, PAR, EGM	EASS	2016	50.5	50.0	0.0	0.0	50.0	0.5	0.0

Project/Program Name	Sector	Poverty Targeting	Strategic Agendas and Drivers of Change	Division	Year of TRTA/ PDA	Cost (\$ million)						
						Total	ADB				Gov't	Co-finance
							Regular OCR	COL	ADF Grants	Total		
Ulaanbaatar Green Affordable Housing and Resilient Urban Renewal Project	WUS	TI-G	IEG, ESG, GCD, PAR, PSD, EGM	EASS	2015	225.8	60.0	20.0	0.0	80.0	0.8	145.0 <sup>c</sup>
Regional Road Development and Maintenance Project	TRA	No	IEG, RCI, GCD, KNS, PSD	EATC	2015	60.6	60.0	0.0	0.0	60.0	0.6	0.0
Community Waste Management and Recycling	ANR	GI	IEG, ESG, PAR	EAER		3.0	0.0	0.0	0.0	0.0	0.0	3.0 <sup>d</sup>
Combating Domestic Violence against Women and Children	PSM	GI	IEG, GCD, GEN, PAR	MNRM		3.0	0.0	0.0	0.0	0.0	0.0	3.0 <sup>d</sup>
<b>Total</b>						<b>606.7</b>	<b>385.0</b>	<b>45.0</b>	<b>0.0</b>	<b>430.0</b>	<b>3.1</b>	<b>173.6</b>

ADB = Asian Development Bank; ADF = Asian Development Fund; ANR = agriculture, natural resources, and rural development; COL = concessional OCR lending; EAEN = Energy Division; EAER = Environment, Natural Resources, and Agriculture Division; EAPF = Public Management, Financial Sector, and Regional Cooperation Division; EASS = Urban and Social Sectors Division; EATC = Transport Division; ENE = energy; EGM = effective gender mainstreaming; ESG = environmentally sustainable growth; GCD = governance and capacity development; GI = general intervention; Gov't = government; ICT = information and communication technology; IEG = inclusive economic growth; KNS = knowledge solutions; MNRM = Mongolia Resident Mission; NGE = no gender elements; OCR = ordinary capital resources; PAR = partnerships; PBL = policy-based loan; PDA = project design advance; PSD = private sector development; PSM = public sector management; RCI = regional cooperation and integration; TI-G = targeted intervention—geographic dimensions of inclusive growth; TRA = transport; TRTA = transaction technical assistance; WUS = water supply and other urban infrastructure and services.

<sup>a</sup> This includes \$14.6 million from the Strategic Climate Fund and \$6 million from the Japan Fund for Joint Crediting Mechanism.

<sup>b</sup> Cofinancing provided by the Japan Fund for Poverty Reduction

<sup>c</sup> Cofinancing provided by the Green Climate Fund (\$50 million grant cofinancing and \$95 million as loan cofinancing). Further cofinancing being explored with the High-Level Technology Fund.

<sup>d</sup> Japan Fund for Poverty Reduction is possible funding source subject to the approval of the Government of Japan.

Source: Asian Development Bank.

Table A3.2: Nonlending Products and Services, 2018

Assistance Name	Sector	Division	Assistance Type	Sources of Funding				
				ADB		Others		
				Source	Amount (\$'000)	Source	Amount (\$'000)	Total (\$'000)
Firm								
Heat and Power Storage Option for Accelerating Renewable Energy Penetration	ENE	EAEN	KSTA		0	EAKPF	500	500
Improving Provider Payment Mechanisms and Healthcare Financing System	HLT	EASS	KSTA		0	JFPR <sup>a</sup>	1,000	1,000
Improving the Management of Hazardous Chemicals	ANR	EAER	KSTA		0	JFPR <sup>a</sup>	600	600
Sustainable Tourism Development Project (additional financing)	ANR	EAER	TRTA	TASF-6	650		0	650
Vegetable Production and Irrigated Agriculture	ANR	EAER	TRTA	TASF-6	650		0	650
Enhancing the Use of Multiple Data Resources to Monitor Progress Towards SDGs	PSM	MNRM	KSTA	TASF-6	500		0	500
Pension System Reform to Strengthen Sustainability and Protection	PSM	EASS and EAPF	KSTA	TASF-6	500		0	500
Human Settlement Development Program	WUS	EASS	KSTA		0	JFPR <sup>a</sup>	2,000	2,000
Institutional Strengthening for Road Safety	TRA	EATC	KSTA	TASF-6	400		0	400
Expanding the Capacity of Nonbank Financial Institutions to Support Financial Access	FIN	EAPF	KSTA	TASF-6	400		0	400
Cross-Border Economic Zones	IND	EAPF	TRTA	TASF-6	750		0	750
Green Finance Policy Framework	FIN	EAPF	KSTA	TASF-6	400		0	400

Assistance Name	Sector	Division	Assistance Type	Sources of Funding				
				ADB		Others		
				Source	Amount (\$'000)	Source	Amount (\$'000)	Total (\$'000)
Regional Road Development and Maintenance Project (Associated TA)	TRA	EATC	TRTA	TASF-6	700		0	700
Research University Sector Development Program	EDU	EASS	TRTA	TASF-6	800		0	800
Strengthening the Disaster Insurance Scheme	ANR	EAER/ EAPF	KSTA		0	JFPR <sup>a</sup>	1,000	1,000
Community-Based Sustainable Forest Management and Policy Reform	ANR	EAER	TRTA		0	JFPR <sup>a</sup>	800	800
Green Urban Development Planning	ANR	EAER	KSTA		0	JFPR <sup>a</sup>	600	600
Ulaanbaatar Air Quality Improvement Program (additional financing)	ANR	EAER	KSTA	TASF-6	200		0	200
Livelihood Support Demonstration in <i>Ger</i> Areas	WUS	EASS	TRTA	TASF-6	125		0	125
Implementing Innovative Approaches for Improved Water Governance (Additional Financing)	ANR	EAER	KSTA		0	HLTF	400	400
<b>Total</b>					<b>6,075</b>		<b>6,900</b>	<b>12,975</b>

ADB = Asian Development Bank; ANR = agriculture, natural resources, and rural development; EAEN = Energy Division; EAER = Environment, Natural Resources, and Agriculture Division; EAKPF = e-Asia and Knowledge Partnership Fund; EAPF = Public Management, Financial Sector, and Regional Cooperation Division; EASS = Urban and Social Sectors Division; EATC = Transport Division; EDU = education; ENE = energy; FIN = finance; HLT = health; HLTF = High-Level Technology Fund; IND = Industry and Trade; KSTA = knowledge and support technical assistance; MNRM = Mongolia Resident Mission; PSM = public sector management; SDG = Sustainable Development Goal; TA = technical assistance; TASF = Technical Assistance Special Fund; TRA = transport; TRTA = transaction technical assistance; WUS = water supply and other urban infrastructure and services.

<sup>a</sup> Funding is subject to approval from the Government of Japan.

Source: Asian Development Bank.

## INDICATIVE KNOWLEDGE PUBLICATIONS AND EVENTS

Table A4.1: Knowledge Publications and Events for 2019

Title of Publication or Event	Subject	Type	Department or Sector Group or Thematic Group	Technical Assistance
Annual Civil Society and Nongovernment Organization Outreach	Multisector	Event	EARD	
Observations and Suggestions Policy Notes Series #2	Economics	Publication: Policy Brief	EARD	
Observations and Suggestions Policy Notes Series #3	Economics	Publication: Policy Brief	EARD	
Think Tank Gathering on Development Challenges	Economics	Event	EARD	
Using Sovereign Wealth Funds to Enable Mongolia to Achieve Long-term Development Goals	Economics	Publication: Working Paper	EARD	
Workshop on Strategy for Northeast Asia Power System Interconnection	Energy	Event	EAEN	TA9001
Mongolia Health Insurance System	Health	Publication: Working Paper	EARD	
The Role of Local Governments in Promoting Local Economic Development	Governance and Public Sector Management	Publication: Working Paper	EAPF	
Protecting Financial Consumers in Mongolia	Governance and Public Sector Management	Publication: Working Paper	EAPF	
Intelligent Transport Systems Policy and Deployment Strategy in Sparsely Populated Countries: The Case of Mongolia	Transport	Publication: Working Paper	EATC	
Seminar on Regional Road Development and Maintenance	Transport	Event	EATC	TA8852
Workshop on Ensuring Effective Implementation of ADB Projects' Gender Action Plans	Multisector	Event	EARD	
<b>Total number of publications = 7</b>				
<b>Total number of events = 5</b>				

ADB = Asian Development Bank, EARD = East Asia Department, TA = technical assistance.

Note: "Publications" may include databases, multimedia, and other forms of documentation. "Events" may include event organization and training or capacity development.

Source: Asian Development Bank.

**Table A4.2: Additional Knowledge Publications and Events Delivered in 2018**

<b>Title of Publication or Event</b>	<b>Subject</b>	<b>Type</b>	<b>Department or Sector Group or Thematic Group</b>	<b>Technical Assistance</b>
SDGs Mainstreaming, Accelerating, and Policy Support	Multisector	Publication: Report	EARD	
SDGs Mainstreaming, Accelerating, and Policy Support	Multisector	Event	EARD	
Translating Women's Voice into Action: Addressing Gender-Based Violence Through Investment in Infrastructure	Gender	Publication: Working Paper	EARD	
<b>Total number of publications = 2</b>				
<b>Total number of events = 1</b>				

EARD = East Asia Department, SDG = Sustainable Development Goal.

Note: "Publications" may include databases, multimedia, and other forms of documentation. "Events" may include event organization and training or capacity development.

Source: Asian Development Bank.

**Table A4.3: Innovation, Advanced Technology, and Pilot Initiatives to be Implemented in 2019**

<b>Item</b>	<b>Nature</b>	<b>Project Number</b>	<b>Sector or Theme</b>	<b>Division</b>
Piloting Women's Economic Empowerment Program for Survivor Women of Domestic Violence	PLT	P51217	GEN	EARD
Piloting Community Initiatives to Combat Domestic Violence	PLT	P51217	GEN	EARD
Piloting of Behavioral Change Communication with Men and Boys to Combat Domestic Violence	PLT	P51217	GEN	EARD

**Total number of innovation, advanced technology, and pilot initiatives = 3**

EARD = East Asia Department, GEN = gender equity theme, PLT = pilot initiative.

Source: Asian Development Bank.