



Mongolia: Transaction Advisory Services for the Combined Heat and Power Plant 5

Project Name	Transaction Advisory Services for the Combined Heat and Power Plant 5								
Project Number	47091-001								
Country	Mongolia								
Project Status	Active								
Project Type / Modality of Assistance	Technical Assistance								
Source of Funding / Amount	<table border="1"> <tr> <td colspan="2">TA 8637-MON: Transaction Advisory Services for the Combined Heat and Power Plant 5</td> </tr> <tr> <td>Technical Assistance Special Fund</td> <td>US\$ 1.20 million</td> </tr> <tr> <td colspan="2">TA 8637-MON: Transaction Advisory Services for the Combined Heat and Power Plant 5 (Supplementary)</td> </tr> <tr> <td>Technical Assistance Special Fund</td> <td>US\$ 250,000.00</td> </tr> </table>	TA 8637-MON: Transaction Advisory Services for the Combined Heat and Power Plant 5		Technical Assistance Special Fund	US\$ 1.20 million	TA 8637-MON: Transaction Advisory Services for the Combined Heat and Power Plant 5 (Supplementary)		Technical Assistance Special Fund	US\$ 250,000.00
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Strategic Agendas	Environmentally sustainable growth Inclusive economic growth								
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships Private sector development								
Sector / Subsector	Energy - Energy sector development and institutional reform Public sector management - Economic affairs management								
Gender Equity and Mainstreaming	No gender elements								
Description	The TA will support the completion of negotiations on the CHP5 transaction. This will both finalize project preparation and develop the capacity for PPP implementation through a 'learning-by-doing' approach. The TA will complement other assistance provided by ADB to strengthen the legal, policy and institutional framework for PPPs.								
Project Rationale and Linkage to Country/Regional Strategy									
Impact	Delivery of improved public services to poorly serviced populations in Ulaanbaatar								

Project Outcome

Description of Outcome	Track record in completing a competitive tender process for a PPP inclusive of contract negotiations
Progress Toward Outcome	This TA will support completing the project preparation and developing the capacity of public sector officials in Mongolia for the implementation of future PPP.

Implementation Progress

Description of Project Outputs	<ol style="list-style-type: none"> 1. Technical studies of rail infrastructure, coal resources, water resources, and ash management 2. Legal support 3. Financial analysis support 4. Negotiation support
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Status of Implementation Progress (Outputs, Activities, and Issues)	<p>Regular missions from ADB and consultants were fielded. The consultants outputs have (amongst other things) helped the Government to i) substantially finalize Power Purchase Agreement, Heat Purchase Agreement and Coal Supply Agreement, and agree the forms of ancillary documents; ii) conduct further negotiations with the Concessionaire and to prepare the Concession Agreement; iii) prepare and negotiate an advanced version of Coal Affreightment Agreement and Water Use Agreement; and iv) prepare issues lists, explanatory notes and correspondence for the purpose of having informed discussions with its various agencies.</p> <p>During the review mission held by the mandated transaction advisor in December 2015 and in January 2017, the government requested significant support to progress with the contractual documentation and in particular to assist various Government agencies address and resolve many of the key bankability concerns related to the project.</p> <p>Due to government's request, additional time is required to provide the necessary support to achieve financial close (which includes finalizing the heat and electricity tariff), thus the TA was extended for another years to 31 December 2018.</p>
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Geographical Location

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design	The Ministry of Economy and Development actively participated in the design of the TA, which also drew on consultation with other central government agencies, the Ulaan Baatar Municipal Government and academic institutions.
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During Project Implementation

Business Opportunities

Consulting Services	The TA will engage international and national consultants to prepare technical studies and provide advice on the technical parameters of the project agreements specific obligations arising from the PPP.
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Procurement	none
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Responsible Staff

Responsible ADB Officer	An, Bo
Responsible ADB Department	East Asia Department
Responsible ADB Division	Public Mgt, Financial Sector and Regional Coop Division, EARD
Executing Agencies	<i>Ministry of Economic Development Government Building-2 United Nation's Street-5/1 Ulaanbaatar-15160 Mongolia</i>

Timetable

Concept Clearance	15 Feb 2013
Fact Finding	14 Jan 2013 to 18 Jan 2013
MRM	-
Approval	09 Apr 2014
Last Review Mission	-
Last PDS Update	17 Mar 2017

TA 8637-MON

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual

09 Apr 2014

03 Oct 2014

03 Oct 2014

31 Dec 2015

31 Dec 2018

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Financing Plan/TA Utilization							Cumulative Disbursements	
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
1,450,000.00	0.00	50,000.00	0.00	0.00	0.00	1,500,000.00	09 Apr 2014	1,269,844.16

Project Page <https://www.adb.org/projects/47091-001/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=47091-001>

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