



Mongolia: Methane Gas Supply Chain Development Master Plan

Project Name	Methane Gas Supply Chain Development Master Plan
Project Number	51285-001
Country	Mongolia
Project Status	Proposed
Project Type / Modality of Assistance	Technical Assistance
Source of Funding / Amount	
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships
Sector / Subsector	Energy - Energy sector development and institutional reform - Oil and gas transmission and distribution
Gender Equity and Mainstreaming	No gender elements
Description	The government requested ADB to support the study on the development of the country's first nationwide methane gas supply infrastructure development strategy. The knowledge and support technical assistance (TA) will support the country's policy (i) to mitigate air pollution in Mongolia, and (ii) to ensure the reliable, cleaner, and secured primary energy supply, by developing a methane gas supply infrastructure development strategy paper to switch primary energy resource from coal to cleaner methane gas.
Project Rationale and Linkage to Country/Regional Strategy	Air pollution has been one of the most serious issues in Mongolia, posing serious public health risks. According to WHO, annual mean of particulate matter of less than 2.5 micrometers in diameter (PM2.5), one of air pollution level indicators, in the capital Ulaanbaatar city is 6-10 times higher than safe criteria of the WHO air quality guidelines. Ulaanbaatar, the country's capital with around half of the nation's population also suffer from the severe air pollution, especially in winter. The main causes are burning solid fuel, mainly raw coal and waste, in Ger areas (around 220,000 households) for heat and cooking purpose (80%). The Government of Mongolia approved the National Program for Reducing Air and Environmental Pollution in March 2017, setting the target to reduce air and environmental pollution by at least 50% by 2025. Energy sector responds to the issue by switching the use of primary energy resource from coal to cleaner methane gas. Implementation Plan for the Government Action Plan 2016-2020 aims to develop a master plan for the country's first nationwide gas supply system, utilizing unconventional primary energy resources like domestic methane gas from coal reserve as well as possible import gas in future. Mid-term National Program 2019-2023 for the implementation of the State Policy on Energy sets one of its goals as _Ensuring reliable energy supply and security, aiming to assist the activities.
Impact	Air quality improved. Reliable, and cleaner energy supply secured.
Outcome	Readiness for investments in methane gas supply infrastructure increased.
Outputs	1. Methane gas supply chain development strategy paper developed 2. Pre-feasibility study report of prioritized methane gas infrastructure project prepared. 3. Capacity development provided.
Geographical Location	Nation-wide

Summary of Environmental and Social Aspects	
Environmental Aspects	
Involuntary Resettlement	
Indigenous Peoples	
Stakeholder Communication, Participation, and Consultation	
During Project Design	
During Project Implementation	
Responsible ADB Officer	Sakai, Atsumasa
Responsible ADB Department	East Asia Department
Responsible ADB Division	EASI
Executing Agencies	Ministry of Energy Government Building 14, Khan-Uul District Chinggig Avenue, 3-r khoroo Ulaanbaatar, 17060 Mongolia

Timetable	
Concept Clearance	29 May 2019
Fact Finding	26 Aug 2019 to 30 Aug 2019

MRM	-
Approval	-
Last Review Mission	-
Last PDS Update	20 Jun 2019

Project Page	https://www.adb.org/projects/51285-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=51285-001
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