



Mongolia: Supporting the Credit Guarantee System for Economic Diversification and Employment Project

Project Name	Supporting the Credit Guarantee System for Economic Diversification and Employment Project								
Project Number	48015-002								
Country	Mongolia								
Project Status	Active								
Project Type / Modality of Assistance	Loan Technical Assistance								
Source of Funding / Amount	<table border="1"> <tr> <td colspan="2">Loan 3338-MON: Supporting the Credit Guarantee System for Economic Diversification and Employment Project</td> </tr> <tr> <td>Ordinary capital resources</td> <td>US\$ 60.00 million</td> </tr> <tr> <td colspan="2">TA 9000-MON: Supporting the Credit Guarantee System for Economic Diversification and Employment Project</td> </tr> <tr> <td>Technical Assistance Special Fund</td> <td>US\$ 800,000.00</td> </tr> </table>	Loan 3338-MON: Supporting the Credit Guarantee System for Economic Diversification and Employment Project		Ordinary capital resources	US\$ 60.00 million	TA 9000-MON: Supporting the Credit Guarantee System for Economic Diversification and Employment Project		Technical Assistance Special Fund	US\$ 800,000.00
Loan 3338-MON: Supporting the Credit Guarantee System for Economic Diversification and Employment Project									
Ordinary capital resources	US\$ 60.00 million								
TA 9000-MON: Supporting the Credit Guarantee System for Economic Diversification and Employment Project									
Technical Assistance Special Fund	US\$ 800,000.00								
Strategic Agendas	Inclusive economic growth								
Drivers of Change	Governance and capacity development Partnerships								
Sector / Subsector	Finance - Small and medium enterprise finance and leasing								
Gender Equity and Mainstreaming	Some gender elements								
Description									
Project Rationale and Linkage to Country/Regional Strategy									
Impact	Job creation in nonmining-related sectors increased (SME Development Program, 2014_2016)								

Project Outcome

Description of Outcome	SMEs' access to finance expanded
Progress Toward Outcome	Confirmation of loan effectiveness was obtained in April 2016. The loan agreement was signed and then ratified by Parliament in on 19 February 2016. The project agreement was signed by the Credit Guarantee Fund of Mongolia on 7 March 2016. Recruitment of the firm to perform capacity development under the piggy-back TA was completed in May 2016.

Implementation Progress

Description of Project Outputs	Longer-term financing for SMEs increased A longer-term bank deposit market developed Quality of the CGFM and the country's credit guarantee system improved
Status of Implementation Progress (Outputs, Activities, and Issues)	Preparations are underway to fulfill all criteria required for the first draw down of loan funds. This is anticipated for November 2016. The consulting team under the piggy-back TA began work with missions in June and August 2016. A review mission occurred in August 2016. The first draw down was completed in December 2016. Review mission was fielded in November 2016. The amended law on the CGFM is in final preparation for submission to Parliament. Contracting with PFIs will begin with the aim to have them under contract by Q317
Geographical Location	

Safeguard Categories

Environment	FI
Involuntary Resettlement	FI-C
Indigenous Peoples	FI-C

Summary of Environmental and Social Aspects

Environmental Aspects	No impact is expected
Involuntary Resettlement	No impact is expected
Indigenous Peoples	No impact is expected

Stakeholder Communication, Participation, and Consultation

During Project Design	Government ministries, the BOM, the FRC, the CGFM, the small business chamber, private sector banks, EBRD, IFC, World Bank and JICA were all consulted during project due diligence.
During Project Implementation	Regular discussion is held between ADB and both the implementing and executing agencies.

Responsible Staff

Responsible ADB Officer	Giannetto, Giacomo G.
Responsible ADB Department	East Asia Department
Responsible ADB Division	Public Mgt, Financial Sector and Regional Coop Division, EARD
Executing Agencies	<i>Ministry of Finance ANUDARI@MOF.PMIS.GOV.MN Government Building-2 Negdsen Undestnii gudamj-5/1 Ulaanbaatar-210646, Mongolia</i>

Timetable

Concept Clearance	04 Dec 2014
Fact Finding	29 Jun 2015 to 11 Jul 2015
MRM	09 Sep 2015
Approval	27 Nov 2015
Last Review Mission	-
Last PDS Update	28 Mar 2017

Loan 3338-MON

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
27 Nov 2015	08 Jan 2016	14 Apr 2016	31 Oct 2021	-	-

Financing Plan		Loan Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	90.00	Cumulative Contract Awards			
ADB	60.00	27 Nov 2015	0.00	0.00	0%
Counterpart	30.00	Cumulative Disbursements			
Cofinancing	0.00	27 Nov 2015	6.00	0.00	10%

TA 9000-MON

Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
27 Nov 2015	23 Dec 2015	23 Dec 2015	31 Mar 2018	-	-

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
800,000.00	0.00	30,000.00	0.00	0.00	0.00	830,000.00	27 Nov 2015	390,247.00

Project Page <https://www.adb.org/projects/48015-002/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=48015-002>

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